A U.S. DEPARTMENT OF COMMERCE WEEKLY

International Commerce

June 2, 1969

Commerce refines trade mission techniques for added sales punch

International Trade Winds

Company News

PLANT MAINTENANCE—Torit Corp., St. Paul, has licensed General Services Industrials (Pty.) Ltd., Randburg, Transvaal, South Africa, to manufacture and sell Torit's line of in-plant pollution control equipment. The new licensee manufactures dust control and gas cleaning equipment, as well as pneumatic conveying plants. Torit has licensees in Europe, Australia, and Mexico.

INDUSTRIAL GASES—Air Products S.A., Belgian subsidiary of Air Products and Chemical, Inc., Allentown, Pa., has acquired 50% of the share capital of Societe Savoisenne de Produits Cryogeniques, an industrial gas company in Marseilles, France. The Royal Dutch Shell Group holds the remaining 50%. The French company has three plants producing oxygen, nitrogen, argon and acetylene and operates several depots in south-east France. Air Products and Chemicals and its subsidiary sell industrial gases, with the home plant also active in the petroleum field.

AUTOMOTIVE EQUIPMENT—Borg-Warner Corp., Chicago, has joined Lemfoerder Metallwaren AG, Lemfoerde, Germany, in a jointly owned company to manufacture automotive and industrial equipment in Lemfoerde. Each firm will own 50% of the new corporation, named Lemfoerder-Warner Mechanic GmbH, which will manufacture propeller shafts, universal joints, and hydraulic high pressure pumps and systems for automotive and off-the-road equipment.

CONSTRUCTION—M. W. Kellogg Co., division of Pullman Inc., New York, was awarded a contract for designing and engineering two fluid catalytic cracker units in Brazil by Petrobras, Brazilian government oil agent, and announced the beginning of operations for a third unit at Negishi, Japan. The new contract calls for a 33,000 barrels-per-stream-day unit to be installed at the projected Planalto refinery, and for a 48,000 barrel unit to be installed as part of the Cubato refinery expansion program. The operating capacity of the new Japanese unit is 20,000 barrels a day. Kellogg has now designed, engineered and built about 90 catalytic cracking units throughout the world.

Newsletter

One good sales effort deserves another. In 1967 the Minneapolis Chamber of Commerce sponsored a trade Mission that visited Moscow, Warsaw, Bucharest and Belgrade. Now the Chamber is on the road again to Moscow, Belgrade and Budapest, in a Commerce-assisted effort to promote the export of products from the Twin Cities area.

A company that ventured into the Japanese market with its own between-regular-shows display at the Tokyo U.S. Trade Center in April will be back at the Commerce-organized Advanced Auto Production Equipment exhibition that opens next week. Radial Lip Drill Corp., Mundelein, Ill., through an agent from Osaka, invited buyers from 75 firms to its trade center event, and more than half came. The upshot was $29,000 in immediate sales and about $150,000 more expected in the coming year.

An April, 1968, show of child care and medical equipment at the Bangkok U.S. Trade Center boosted U.S. sales in those fields in Thailand by more than $1 million in the past year, very close to the total in show's end projections made by the 55 participating companies. And the results will continue to mount. Now the participants are expecting an additional $859,000 in sales over the next year.

Close to the very best at Tokyo. That was the verdict as the Advanced Analytical and Laboratory Equipment Exhibition closed at the U.S. Trade Center on May 17. It generated more than $712,000 in floor sales and a projected $2.2 million more over the next year. The floor sales total was the second highest in the center's six years of operation. An intensified campaign of calls on blue ribbon prospects by the exhibition staff brought upwards of 25% of the 2,000 trade visitors into the center from outside the Tokyo metropolitan area.

Hard on the heels of a successful fluid power transfer exhibition at Hanover, Germany, comes word from Duesseldorf of another rousing series of ja's from German buyers—the U.S. exhibition at INTERPACK. Thirty U.S. firms displaying packaging machinery and materials achieved $2.1 million in sales at the booths, and $6.375 million more projected over the next year. In addition, 12 agents were appointed and 90 more are still engaged in negotiations with the participating companies.

NOTICE: This information is offered to preview or provide informally brief and varied comment on Bureau of International Commerce worldwide export and investment promotions. It is not final and does not substitute for detailed know-how and analysis in our regular news columns.

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the cover

Ambassador Sargent Shriver, at l. in top photo, greeted members of the Restaurant and Cafeteria Equipment Mission to France recently during conference at U.S. Embassy in Paris. This was the first of a new series of specialized missions being organized by the Commerce Department to promote specific products in selected markets abroad. Middle picture shows mission members (l. to r.) Baggott, Brook, Kirby (U.S. Commercial Attache), LaRoche, Lehmann, Chamberlin. Lower right pictures member Klepper (ctr.) talking with buyer for French company. Story is on page 2.

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NEW PRECISION TOOL

Specialized trade mission off to effective beginning

Pilot team focuses on specific product in selected area, reports good results

The latest development in the Commerce Department's evolving trade missions program has had approval from several directions.

The new development is the specialized or "vertical" mission which is fully planned, recruited, and supported by Government though comprised of volunteers from private industry who pay their own way and sell their own products.

Businessmen who know most about it—those who have participated—have seasoned their appraisals with hearty commendation: "These missions should be continued." Their opinion is shared, they say, by their counterparts abroad whom they interviewed, by U.S. businessmen living there, and by trade organization officials with whom they talked.

The Commerce Department—which combined the advantages of several kinds of trade missions to form this new approach—reports benefits in planning and recruiting, as well as the potential for increased dollar results in the long run.

Foreign Service posts—cooperating in handling arrangements overseas—say that scheduling of appointments is facilitated by the narrowed scope of product interest.

The new collective selling tool, the specialized trade mission, focuses on a specific product category in a carefully selected market. Three such missions have gone abroad this spring:

► Restaurant and Cafeteria Equipment Mission to France, Apr. 14-25.

► Automotive Maintenance and Servicing Equipment Mission to Denmark, Sweden, and Finland, Apr. 28-May 15.

► Data Processing Mission to Germany, May 19-June 3.

First to try it

The businessmen comprising last month's Restaurant and Cafeteria Equipment Mission to France were the first to try the mix that makes a specialized mission, and they like it. The flavor is zesty, the nourishment long-lasting, they say. And the combination of ingredients is a time saver.

They sold $28,600 worth of equipment, and they expect sales over the next 12 months to reach $465,000. Some members confirmed distributorships, others are completing similar long-term arrangements. One participant said he accomplished in two weeks what would normally have taken six months.

The five business members, representing 20 U.S. manufacturers of equipment for restaurants, cafeterias, and institutional feeding and catering services, spent Apr. 14-25 in Paris, Lyon, and Marseille talking with prospective customers and Government and trade officials.

The men paid their own travel and living expenses. They sold their own products. They handled business for their own companies. But the Commerce Department had already paved the way:

By appraising market research data, and information from U.S. Embassy commercial officers, the product category and market area had been carefully pinpointed several months earlier, and members had been recruited accordingly. An advance man had preceded the mission, to arrange appointments for each participant in line with his individual interests. The Department had agreed to pay for brochures and for clerical and interpreter assistance, to publicize the mission at home and abroad, to brief the group before departure, and to provide a director to accompany the mission and perhaps to assist members in follow-up activity.

Thus, the traders departed for France well equipped with market information and ready to meet a specially tailored prearranged schedule within the French business community. Along with institutional and plant visits, the individual appointments with decision-making end users and distributors made every work day a banner day for establishing contacts that counted.

Findings summarized

In addition to the business conducted for their own companies, some overall findings were reported by the mission:

► The market in France is generally good to excellent for U.S. suppliers of the equipment and products members were promoting.

► Institutional feeding systems utilizing advanced sanitary, mobile, controlled flow and portion control concepts are sought by hotel operators, restaurateurs, hospital, fair, factory and governmental authorities.

Since 1962

Vertical trade missions focusing on a particular product but initiated and planned by industry or trade associations have been going abroad with Commerce approval since 1962, as mentioned in the accompanying article.

The first of these, promoting U.S.-made men's and boys' wear in the United Kingdom and the countries of the European Economic Community and reporting on the long-term potential in the individual markets, was the forerunner of a variety of such missions. Among products represented by individual missions over the years are:

Personal luggage and leather goods, lumber and plywood, gas appliances, coal and industrial machinery, industrial real estate, furniture, foods and foods processing machinery, consulting engineering services, waste water treatment equipment, machine tools, oceanographic equipment, and scientific apparatus.

Industry-organized Government-approved trade missions may also be organized by States and by local trade organizations on a "horizontal" pattern—promoting broad varieties of commodities on a single business tour.

COMMERCE DEPARTMENT OFFICIALS, Paul Mayer (l.) of Trade Missions Division and Director Roger LaRoche of Miami Field Office, review program arrangements made for restaurant, cafeteria equipment manufacturers.

MISSION MEMBER BROOK, above (r.), talks with prospective customer during one of about 275 business interviews reported by five-member specialized group seeking markets in Paris, Lyon, and Marseille.

► Determination of the appropriate marketing channels and selection of distributor, agent, or representative is critical in this market. Stock control, supply parts availability, electrical characteristics, and delivery are next in importance.

► U.S. equipment in many instances is not as expensive as reputed to be, considering quality, service, and comparability.

► Introduction of a product or equipment in the French market may necessitate broad advertising and participation in fairs.

► Beyond current needs, there will be long-term requirements, particularly in the institutional feeding and hotel and resort industries, as an ambitious five-year development program to begin in 1971 is being planned.

Long-term potential seen

It was in the area of long-term arrangements that the mission served its members best, according to Miami Field Office Director Roger LaRoche, who was also Director of the specialized group.

"France is a sophisticated market and the French businessman is conservative and cautious," LaRoche reported. "The restaurants are small and old, and it is believed that they are not about to modernize (for economic reasons). Consequently we must look to new construction for most of the equipment that was represented on the mission," he pointed out.

"The products of our mission members are expensive and are not generally sold on first contact. 'Service-after-sale' is a contributing factor; therefore, these products are best sold through a distributorship arrangement.

"The projection of sales for a sophisticated market such as France can be unrealistic, especially if estimated by a new exporter and/or new-to-the-market exporter. Our mission included one new exporter, three new-to-the-market exporters, and one experienced-in-the-market exporter.

"The real yardstick of success of this specialized mission is the market exposure it provided its members at this time and the contacts that were made, assuring a long-range business development through established distributors. Those, actually, were the goals of each mission member, and these goals were met.

"The mission met about 500 officials and businessmen in a period of ten working days. Included were 275 serious business interviews. Robert Chamberlin of Corning Glass Works said that he accomplished in two weeks what would normally have taken six months to accomplish, and that he expects to confirm within the next 30 to 60 days agreements with one national and several regional distributors," he said.

"Current developments in France are encouraging for long range business.

"To stimulate new construction of hotels and modernization of old hotels over the next five to ten years, the French Government will grant loans up to 60% at a low rate of interest of 3½%. Terms include up to 14 years. Also fast feeding establishments, such as drug stores and hamburger places are already on the French scene and are multiplying at a moderate rate.

"Consequently, the real job to be done by the mission members is the 'follow up' work. All agreed that the mission provided the appropriate contacts to successfully do this job.

"This specialized trade mission to France was a success. The mission members themselves endorse the specialized trade mission program and urge the Department to continue, expand, and upgrade it."

Commenting on the U.S. business group's recent visit, a French news magazine, *L'Express*, said the participants had so much to do that they promised to come back.

Business members of the restaurant and cafeteria equipment mission were: George T. Baggott, Crescent Metal Products, Inc., Cleveland, Ohio; Frederick G. Brook,

EUROPEAN INTEREST IN RESTAURANT EQUIPMENT was shown earlier when U.S. companies participated in food service section of TOUREX-67 exhibition in Belgrade (above), Barcelona, Munich. Mission recommends participation in fairs.

H. D. Sheldon & Co., New York City; Robert B. Chamberlin, Corning Glass Works, Corning, N.Y.; Raphael Klepper, Hotel China & Glassware Co., Jacksonville, Fla.; and Walter P. Lehmann, A. Torres Export, Inc., Chicago, Ill.

Second to go abroad

Two weeks after the first, a second specialized group went abroad—the Automotive Maintenance and Servicing Equipment Mission to Denmark, Sweden, and Finland. Anthony J. Buchar, Director of the Commerce Department's Chicago Field Office, was the Director. Early returns indicate that all of the mission members made valuable trade contacts offering on-the-spot and long-range potential. Before the mission was completed, three members reported immediate sales prospects of more than $90,000.

And Commercial Attache Robert A. Brown, from the U.S. Embassy in Copenhagen has written, "If this group is an indication of what we can expect of future missions, we would not object to one a month."

Business members were: James V. Cannistraro, AMMCO Tools, Inc., North Chicago; Richard B. Limbacher, Limbacher Paint and Color Works, Inc., Mt. Vernon, N.Y.; Dean W. Morrison, Bear Manufacturing Co., Mt. Prospect, Ill.; Paul E. Moss, Paul E. Moss & Co., New York City; Hans P. A. Mueller, Engineered Motor Products, Inc., Riverside, Calif.

Now in Germany

For the Data Processing Mission now visiting Berlin, Munich, Hamburg, and Dusseldorf, G. Edward Borst of the Commerce Department's Trade Missions Division is serving as Director. Those participating, and their companies, are as follows:

John T. Ballenger, Computer Data Systems, Inc., Silver Spring, Md.; T. I. Burakries, URS Data Sciences Co., Falls Church, Va.; M. G. Hauss, Motorola Instrumentation & Control, Inc., Phoenix, Ariz.; Joseph B. Mahony, Farrington Manufacturing Co., Springfield, Va.; Mort Wimpie, Computer Exchange, Inc., New York City; C. Norman Winningstad, Tektronix, Inc., Beaverton, Ore.

Reports from these missions will appear in later issues of INTERNATIONAL COMMERCE.

Since early '50's

Specialized Commerce missions are an outgrowth of a sales promotion tool used by many countries over many years. As for the United States, the Government sent its first trade mission abroad in the early 1950's—though initially the emphasis was on economic and technical assistance, on buying and demonstrating, rather than on exporting.

In 1954, with increasing emphasis on selling, the program was given a specific mandate by the U.S. Congress as part of a new $5 million allocation for U.S. participation in international trade fairs, cultural and athletic presentations, and trade missions. Under this impetus, more than a hundred official trade missions—organized, recruited, and financed by Government and promoting an unlimited range of products—traveled from Afghanistan to Uganda within the next eight years.

In 1962, as the necessity for expanding exports became more urgent, the Commerce Department launched an additional kind of collective visit to increase business with other nations: the industry-organized Government-approved trade mission. Under the new arrangement, industry associations, States, or local trade groups initiate missions and select their own representatives to serve. They do business for their own companies, and sometimes share trade leads they uncover with the U.S. industry at large. Participants pay their own expenses, but Commerce helps with publicity, orientation, and scheduling. They may or may not be limited in product scope. About 125 such missions have gone abroad since their inception. Three were overseas last month—in Western and Eastern Europe and South America.

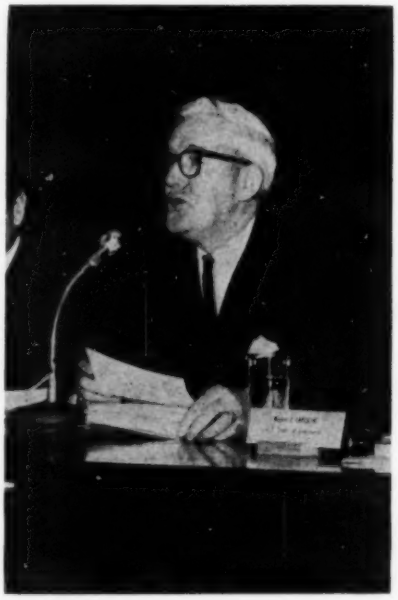
Complementing the U.S. Government-sponsored and the industry-organized Government-approved mission and combining the advantages of both, the specialized mission—initiated by the Commerce Department to sell a specific commodity in a carefully selected market area—is now being offered. Advance planning is geared to well-defined interests in pinpointed markets.

For such missions, the Commerce Department, as with present Government missions, selects the product category and itinerary, and recruits members, who pay their own travel and per diem expenses. The members do business for their own accounts, as do current IOGA teams. Commerce makes available market information on sales potentials, provides detailed advance planning, and pays operating expenses.

Commerce furnishes an advance officer, as with most IOGA's at present, and also a coordinating officer, as with Government missions.

Each specialized mission, as proposed, is announced in INTERNATIONAL COMMERCE. Qualifications for prospective members and an invitation to participate in the working tour is included. If the response to the invitation for any specific mission is heavy, a second group may be formed.

U.S. FOREIGN SERVICE posts in the three cities visited also provided assistance to specialized mission. (Below), Richard Kirby, Commercial Attache of U.S. Embassy, at Paris press conference.



United States gained larger share of manufactures market last year; growth rate highest since '64

Transportation equipment led U.S. export expansion, accounting for almost half of increase in deliveries to foreign markets

U.S. exporters more than held their own in expanding manufactured exports to foreign markets during 1968.

Topping the growth rate of the other major industrial nations, this country shipped 14% more manufactured exports last year than in 1967, and thus commanded 23.3% of the record $102 billion market for manufactures compared to 23.1% in the preceding year. The $3 billion increase carried U.S. exports of manufactures to a new peak of $23.7 billion, thereby more than doubling the value of a decade ago.

The rate of expansion last year was the largest in U.S. foreign sales since 1964. After lagging behind the export growth of other major industrial countries virtually every year between 1958 and 1964, the United States arrested its share decline during 1965-66 and regained some of the lost ground in the last two years.

Accounting for nearly half of the increase in our deliveries to foreign markets, transport equipment was the prime mover of the U.S. export expansion. U.S. sales, which reached a record value of $5.9 billion, rose almost twice as fast as those of our competitors. Our 1968 share level of 34.3% was the highest recorded since 1959. The bulk of the sales gain stemmed from buoyant exports of aircraft, especially passenger transports and combination passenger-cargo planes, and of road motor vehicles, particularly to Canada.

Though the gains were more moderate, U.S. exporters also won a larger share of the foreign market for chemicals as sales rose at their fastest rate since 1964. Exports of chemicals from the United States climbed by nearly one-fifth last year to $3.3 billion. The increase in chemical production and the implementation of the Kennedy Round tariff cuts at mid-year in Western Europe were instrumental in strengthening the demand for our products. Sales of plastic materials and resins, organic and inorganic chemicals, xylenes, and manufactured fertilizers expanded strongly.

U.S. machinery sold relatively less well last year. After some improvement in 1967, the U.S. shares of both nonelectric and electric equipment declined in 1968. Our major competitors as a group expanded their exports of nonelectric machinery by one-tenth, but U.S. sales advanced by only 6%—the lowest rate of growth since 1963. Consequently, the U.S. share slipped to 29.4%.

Although during 1968 deliveries of computers and parts to foreign markets rose by 12%, they advanced at a slower pace than in the previous year. Generally weaker demand and increased production by U.S. overseas subsidiaries appeared to be the main factors restraining export growth. Germany and the United Kingdom were our most buoyant markets for automated data processing equipment.

Increased construction activity in the developing countries, particularly in Brazil and the Republic of Korea, boosted our sales of track-laying tractors. Substantial gains were also recorded in exports of mining machinery, especially to Canada and Australia, and in shipments of drilling equipment to several oil producing countries. In addition, sales of heating and cooling equipment advanced smartly. Net decreases in deliveries of agricultural machinery, metal-cutting machine tools, and textile machinery, however, contributed to limiting the expansion in our exports.

In spite of a 9% increase over 1967, U.S. sales of electric machinery and equipment also failed to match the pace set by the other industrial countries. This led to a deterioration in our market position, and the U.S. share receded to the 1966 level of 25.1%. Nevertheless, our exports reached an all-time high of $2.3 billion last year, in part because of increased deliveries of radio and TV apparatus to Mexico and Taiwan, navigational equipment to the United Kingdom, and transistors and semiconductors to various markets. The one-third advance in shipments of the latter products largely reflected greater deliveries of components for assembly in U.S. companies' overseas plants.

The U.S. share of the heterogenous "other manufactures" market, comprising most semimanufactures and nondurable consumer goods, was again trimmed in 1968. Expanding exports of several lines of these manufactures contributed to a $500 million advance in sales for these products as a group. Deliveries of paper and related products climbed by 17%, due in part to greater West European demand for kraft paper and paperboard. Exports of newsprint and other printing paper were also substantially higher. Shipments of copper soared from the strike-depressed 1967 level. In addition, significant export

Trade 'wave of future' has wide base

The United States must pursue international business expansion "in all its forms"—overseas investment, agency and licensing arrangements, and promotion of travel to the U.S., as well as exporting—the Commerce Department's Assistant Secretary for Domestic and International Business K. N. Davis, Jr., told a Los Angeles audience.

"It is abundantly clear that the 'wave of the future' is going to be ever-greater international trade in all its many forms and that the United States must be in the lead of those who would ride with this wave. We must not emphasize one aspect of foreign trade to the detriment of others," Davis said to the Foreign Trade Association of Southern California.

Thus, while pointing to recent relaxations in U.S. controls on foreign direct investments, Davis noted that net inflow in this area has been increasing at about only $500 million per year. He then underlined the importance of meeting a $50 billion export goal set for 1973 by the Cabinet Committee on Export Expansion.

But to increase exports to this extent, Davis commented, the U.S. must set priorities, first on the fight to halt inflation at home, and second, on the effort to reduce non-tariff barriers to the entry of U.S. goods abroad. He noted a promising response to Secretary of Commerce Maurice H. Stans' proposal that nations place all their non-tariff restrictions on an "Open Table" for negotiation.

U.S. SHARE OF WORLD EXPORTS OF MANUFACTURES

Commodity	U.S. exports (million dollars)	U.S. share (% of world exports to foreign markets[1])
Manufactures, total		
1958	11,170	27.6
1959	10,795	25.5
1960	12,601	25.2
1961	12,777	24.0
1962	13,700	24.4
1963	14,294	23.5
1964	16,404	23.7
1965	17,418	22.7
1966	19,144	22.7
1967	20,769	23.1
1968	23,653	23.3
Chemicals		
1958	1,407	29.6
1959	1,559	29.1
1960	1,776	29.6
1961	1,789	28.2
1962	1,876	27.9
1963	2,009	26.9
1964	2,364	27.1
1965	2,402	24.7
1966	2,675	24.6
1967	2,803	23.7
1968	3,289	24.2
Nonelectric machinery		
1958	2,814	35.1
1959	2,829	33.8
1960	3,238	32.7
1961	3,592	31.1
1962	3,929	30.9
1963	4,046	30.2
1964	4,654	31.4
1965	5,042	30.9
1966	5,545	30.1
1967	5,951	30.2
1968	6,320	29.4
Electric machinery		
1958	1,065	32.9
1959	1,043	30.7
1960	1,087	28.2
1961	1,225	27.0
1962	1,361	27.3
1963	1,492	26.7
1964	1,665	26.2
1965	1,661	23.9
1966	1,900	25.1
1967	2,097	25.7
1968	2,286	25.1
Transport equipment		
1958	2,487	35.3
1959	2,186	32.0
1960	2,666	33.1
1961	2,497	30.3
1962	2,735	31.8
1963	2,704	28.2
1964	3,050	28.4
1965	3,445	28.4
1966	3,710	28.7
1967	4,525	31.8
1968	5,856	34.3
Other manufactures		
1958	3,397	19.6
1959	3,178	17.4
1960	3,834	17.3
1961	3,674	16.3
1962	3,799	16.5
1963	4,043	16.3
1964	4,671	16.3
1965	4,868	15.4
1966	5,314	15.4
1967	5,393	15.0
1968	5,902	14.8

Note: The term "manufactures" refers to chemicals, machinery, transport equipment, and other manufactures, except mineral fuel products, processed food, fats, oils, firearms of war, and ammunition.

[1] World exports are defined as exports from the 14 major industrial countries. These nations, which account for approximately four-fifths of world exports of manufactures to foreign markets, are as follows: United States, Austria, Belgium-Luxembourg, Canada, Denmark, France, Federal Republic of Germany, Italy, Netherlands, Norway, Sweden, Switzerland, United Kingdom, and Japan. Exports to foreign markets are total exports excluding exports to the United States.

gains were recorded for sound recorders, photographic equipment, and tires. Sales of textiles and a wide range of other products, however, either declined or increased marginally.

During 1968, Japan and Italy both shipped about 20% more manufactures than in the previous year to foreign markets other than the United States. This compared to a 12% expansion from all suppliers. The proportion of world exports from these two countries therefore grew, mainly at the expense of the United Kingdom. The Federal Republic of Germany and France also accounted for a marginally smaller share than in 1967.

Japanese exports of machinery, though still small relative to those of the United States and the major European exporters, climbed by a fourth in value last year. Moreover, sales of transport equipment—mainly road motor vehicles and ships—rose by over 20%.

Sharply increased deliveries of automobiles boosted Italian exports of transport equipment by nearly 30% in 1968. In addition, a gain of one-fifth was recorded in sales of "other miscellaneous manufactures." Largely responsible for this expansion were clothing, footwear, textile yarns, and fabrics. Exports of telecommunications equipment, household appliances, and textile machinery also climbed considerably.

Despite the 14% devaluation of the pound sterling in November 1967, British exports, calculated in dollar terms, rose by 5% last year. This growth, relatively strong in transport equipment, especially automobiles, and weak in machinery, was not enough to prevent a considerable further deterioration—of nearly a percentage point—in the U.K. trade position relative to the other major countries. That nation, however, easily retained its position as third most important supplier of manufactures to the world, following the United States and Germany.

Boosted by increased deliveries of power generators and metal-working machinery, Germany's share of the nonelectric machinery market edged up. This gain, however, was insufficient to offset losses in other groups of manufactures, and Germany's overall position slipped fractionally.

Data on the U.S. share of world exports of manufactures are reported quarterly in INTERNATIONAL COMMERCE. *The previous report appeared in the issue of Mar. 10. Information on full year 1968 is presented in the accompanying article, prepared by Commerce's Int'l Trade Analysis Division.*

RECENT 'E' AWARD WINNERS were Melroe Co. and American Electronic Laboratories (AEL). Melroe officers, shown in left photo, are (seated) Clifford E. Melroe (l.), pres.; Lester W. Melroe (r.), vice pres., market development; (standing, l. to r.) Eugene R. Dahl, vice pres., purchasing; Irving L. Melroe, vice pres., agricultural products; and Roger T. Melroe, vice pres., industrial products. Right photo, Capitol Hill 'E' ceremony honored AEL. l. to r., Jesse D. Maxenchs, int'l trade specialist; Sen. Hugh Scott; Conrad J. Fowler, board chairman; Sen. Richard S. Schweiker; and Samuel M. Merion, vice pres.

Pennsylvania, North Dakota firms are awarded 'E's for increasing electronic, farm products exports

American Electronic Labs, Melroe Co. used foreign language advertising, distributor networks, and trade fair participation

Two recently awarded "E"s were the first to a firm from North Dakota and the 69th to a Pennsylvania company.

Melroe Co. of Gwinner, N.D., makes farm implements. American Electronic Laboratories, Inc., of Colmar, Pa., manufactures electronic instruments and components. Both achieved export increases through distribution and sales networks, trade fair participation, advertising in foreign journals, and technical demonstrations and training programs.

The majority of Melroe foreign sales are made to Canada. These are accomplished in two ways: through original equipment manufacturers and through distributors.

Melroe has a Canadian representative who handles the Melroe loader exclusively. He attends conventions and trade shows at dealerships throughout Canada.

Melroe has several salesmen in England, and two in Eastern Europe. The firm recently began selling its industrial loader in the European market, through the sales organizations headquartered in England. These salesmen are setting up dealers in the European market for direct shipment without the aid of a foreign distributor.

Melroe has a plant in England which reconditions equipment and is also used at present as an inventory depot.

A Melroe technical specialist travels regularly in South America, Africa, and Australia. Approximately one-third of his time is spent setting up service schools and technical demonstrations for the Melroe loader.

Melroe has shown equipment at trade fairs in Lima, Copenhagen, and London.

The company places advertisements in international magazines.

Melroe products are now in use in Canada, England, France, Italy, Spain, Portugal, Denmark, Finland, Netherlands, Africa, South America, Australia, the Philippines, Thailand, and others where dealers in these countries have made sales.

When the American Electronic Laboratories (AEL), which was then 15 years old, decided in 1965 to concentrate on exporting, it hired an international trade man with ten years of experience. Under his direction a program was undertaken to sell overseas the company's 15 different product lines, used in communications, medicine, and other fields. An advertising campaign and assistance from the Department of Commerce were used to select representatives around the world. There are now nearly 40 AEL representatives covering 45 countries. Because of the diversified nature of AEL's products there are several representatives in some countries, each handling specific lines.

Another source of income from overseas is licensing arrangements for the patented techniques held by AEL.

AEL holds orientation sessions at its Pennsylvania headquarters for overseas representatives. The firm also offers a training program for customers' technicians and engineers.

AEL mails press releases constantly to its representatives and to industry journals published worldwide, describing its most recent activities. The company publishes a bimonthly magazine, some 4,000 copies of which are distributed overseas. AEL has placed advertisements in local languages in various foreign publications, with cost shared by the representatives.

AEL has participated in U.S. Trade Center exhibitions in London, Milan, and Bangkok.

The company has adapted its products to foreign markets with regard to such factors as electric current characteristics. AEL also has extended foreign customers, in most cases, the liberal credit terms offered domestic customers.

WORLD MARKETS SINCE 1962: IV

U.S. remains top exporter of nonelectric machinery

Sales abroad boosted by more than $2 billion since 1962; biggest gains made in Canada

Expanding foreign sales have kept U.S. nonelectric machinery in the top position among our exports of manufactured products. Shipments of this machinery advanced from $3.9 billion in 1962 to nearly $6 billion in 1967, and by another $350 million last year.

Despite vigorous competition from other suppliers, the United States continued to lead in world exports of nonelectric machinery. The erosion of the U.S. share position was small through 1967—three-quarters of a percentage point down from 30.9% in 1962. The further slippage to 29.4% in 1968, for which detailed data by product are not yet available, was equal to that in the preceding five-year period.

Foreign market expands

Exports of nonelectric machinery from the United States and the 13 other leading industrial countries to the world other than the U.S. rose by $7 billion between 1962 and 1967 to a value of $19.7 billion. The expansion in shipments extended to nearly all leading types of machinery.

Exports of computers and statistical machines achieved the fastest rate of growth. The value of such shipments more than doubled to a total of $1.2 billion. This sharply growing demand reflected widespread programs, particularly in the developed countries, to modernize business and managerial methods and improve mass-production operations. It also stemmed from shortages of labor in certain areas.

Deliveries of internal combustion engines in 1967 were about four-fifths greater than in 1962, reaching a value of $1.5 billion. A sizable part of the sharp advance stemmed from the burgeoning requirements of the automotive industry in Canada which was heavily supplied from the United States.

Other types of machinery for which world demand was especially strong—growing by 75% or more—included heating and cooling machines, pumps, materials handling equipment, traditional office machines, and power machinery items other than engines and boilers.

In contrast to the fast growth evident in exports of internal combustion engines, world trade in aircraft engines was sluggish. Regional and inter-company pooling, less frequent overhauls, and longer engine life slowed the rate of expansion. Shipments of metalworking machinery, the highest valued nonelectric machinery item next to internal combustion engines, were very little greater in 1967 than in 1962. World exports of steam-generating boilers and boiler house plant declined absolutely in value.

Fourth in series

Continuing a series of reports in *International Commerce* on changes in the U.S. competitive position in world markets for manufactured goods, 1962-67, the accompanying article is the fourth in the series and the first of several on major categories of manufactured goods.

The introductory report, in the May 5 issue, presented an overall view. The second, May 12, pinpointed the situation in developed countries; the third, May 19, in the developing countries.

The reports are being prepared by the Commerce Department's Bureau of International Commerce from special computer runs designed by the Bureau's International Trade Analysis Division and ordered from the United Nations International Trade Statistics Centre. The data is assembled in more than 1,100 Market Share Reports, available from Sales and Distribution, Room 2119, U.S. Department of Commerce, Washington, D.C. 20230. Country reports are 75 cents each; commodity reports, 10 cents.

Despite steady gains in value, U.S. shipments of nonelectric machinery advanced at a slightly slower pace than those of our competitors to world markets outside the United States. With the exception of a sharp rebound in 1964, our share drifted downward, reaching 30.2% in 1967. This slippage was equivalent to $145 million, or less than 3% of U.S. nonelectric machinery exports in 1967. However, on a weighted basis—that is, if our position in each world market area for each type of nonelectric machinery in 1967 had remained the same as in 1962—there would have been no net "loss."

The major part of the rise in U.S. exports of this machinery was concentrated in a few products. Of the $2 billion increase in shipments to foreign markets from 1962 to 1967, two-thirds was attributable to six types of products.

From a level of $220 million in 1962, the outflow of U.S. internal combustion engines zoomed to $560 million in 1967. Stepped-up shipments to Canada, stimulated by the Automotive Products Trade Agreement with that country which provided for duty-free entry, accounted for the biggest portion of this gain. The surge in deliveries of these engines enabled U.S. suppliers to improve their share of the world market by 10 percentage points to 37%.

Stimulated by rising petroleum development abroad, our shipments of pumps and centrifuges more than doubled in the five year period. This uptrend boosted our share by five points to 32%.

The quarter billion dollar expansion in exports of electronic computers and statistical machines pushed our foreign sales to $421 million in 1967. Three-fourths of the rise came from larger shipments to the United Kingdom, Canada, France, Germany, and Japan. Although U.S. sales generally advanced during the period, our market standing shifted erratically year by year. In 1967, our products accounted for 35.8% of world exports compared to 33.8% in 1962.

Buoyant demand for U.S. materials handling equipment, heating and cooling machines, and non-road tractors resulted in strong export advances. Our share positions in these products, however, improved steadily until the mid-sixties and then receded, losing part of the gain achieved since 1962. Nevertheless, the United States remained throughout the period the top ranking supplier of materials handling equipment and heating and cooling machinery to markets outside this country. As of 1964, this country displaced the United Kingdom to become first also in non-road tractors.

U.S. exports of construction and mining machinery grew relatively slowly—by only about one-fifth—to $514 million in 1967. The rate of gain fell considerably short of the pace set by our competitors, particularly Germany and France, reducing our share of the world market by nine percentage points to 48%.

Reflecting both sluggish foreign demand and strong competition, U.S. exports of aircraft engines were not much higher in value in 1967 than in 1962. Other suppliers, notably the Netherlands, Germany, and France, registered bigger sales gains, causing a drop in our market standing. Key factors in this share loss included foreign advances in aircraft engine technology and improved methods of production in plants overseas.

Extension of better credit terms, technological gains, and generally more favorable competitors' prices have militated against any significant expansion in our exports of textile machinery. In contrast to a two-fifths rise in world exports, U.S. shipments were almost stagnant. Thus, our position skidded from 17% to 12.6%.

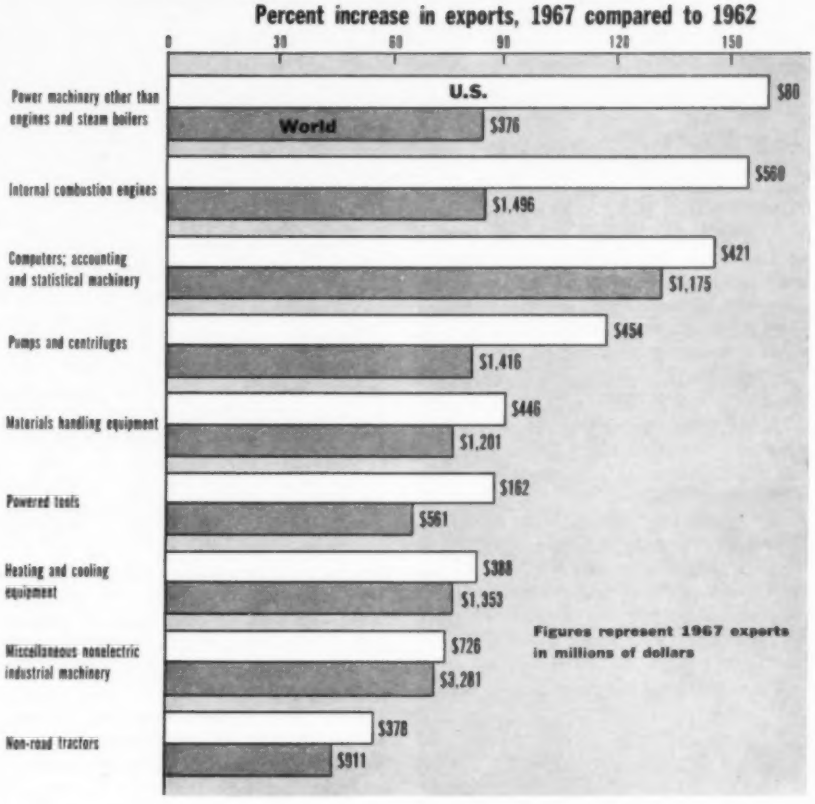
In the important metalworking machinery market, the U.S. position fell precipitately as our exports declined. The sales loss stemmed in part from the establishment of U.S.-owned production facilities abroad to capitalize on lower costs and avoid tariff barriers. Also contributing to the poor performance were relatively high prices for many of our machines and the shift of some customers to other sources of supply when large backlogs developed from the demands of the Viet-Nam war. As indicated above, world trade in metalworking machinery expanded from 1962 to 1967, though slowly. The absolute drop in U.S. shipments, therefore, resulted in the sharpest fall—27%—in our share of total export sales of any type of nonelectric machinery.

World deliveries of this machinery to the developed areas surged by nearly three-fifths to $13.5 billion in 1967. The most buoyant outlets were Canada, to which shipments doubled, and Australia/New Zealand/South Africa, where the the rise was almost as sharp. On the other hand, the flow of these products to the EEC was relatively slow. Movements to Japan, the smallest market of any considered here, showed little change. Despite significant growth in exports to the Near East and to developing Africa, the developing regions as a group were a sluggish market. The 19 American Republics, which were the largest market for nonelectric machinery among these areas, received shipments in 1967 valued only 23% higher than in 1962.

To U.S. exporters, the developed areas also became more significant markets for nonelectric machinery. The key factor in the rapid rise in our deliveries to the advanced nations was the sharply intensified demand for U.S. goods in Canada. Exports of $1.6 billion in 1967 to our northern neighbor, almost twice their value in 1962, represented more than a quarter of the U.S. total. Greater deliveries of internal combustion engines, four and a half times their 1962 value in 1967, played an important role in the upward thrust.

The U.S. share of the EEC market for nonelectric machinery dwindled in the face of stepped-up intra-Common Market trade. Deliveries of these products among member countries expanded by 68% and accounted for three-fifths of the EEC market in 1967 compared to one-half in 1962. The United States lost ground in almost every commodity, a decline attributable in part to the gradual elimination of

U.S. sales growth tops competitors' in some major types of nonelectric machinery



U.S. share of nonelectric machinery exports dips

Leading suppliers	Share of world exports to markets outside the United States	
	1962	1967
	Percent	
United States	30.9	30.2
Germany, Fed. Rep.	23.2	23.3
United Kingdom	16.7	13.1
France	5.8	6.9
Italy	5.2	7.0
Japan	2.4	3.8

tariff barriers among the Six.

U.S. shipments of nonelectric machinery to Japan dropped in value after 1962, but recovered in 1967 to roughly their earlier level. Since world exports to that market rose by 7%, however, our share was somewhat smaller than at the beginning of the period. In contrast, by doubling sales to the expansive Australia/New Zealand/South Africa market, the United States strengthened its position.

In the slow-growing American Republics market, U.S. sales increased at a faster rate than those of our competitors. U.S. goods also gained a better footing in the small, but buoyant Near Eastern market. On the other hand, despite higher deliveries of nonelectric machinery to the rest of developing Asia and Africa, our market standing deteriorated.

Although U.S. exports to Eastern Europe climbed to $25 million, three and one-half times their value in 1962, the area still absorbed less than one percent of our deliveries to all destinations. The U.S. share of that market was about 2% in 1967 compared to 1% in the base year.

Despite our marginal share decline, the United States retained its position as principal supplier of nonelectric machinery to markets outside this country in 1967, followed by the Federal Republic of Germany and the United Kingdom.

Germany was the principal source of a number of major types of nonelectric equipment, notably metalworking and textile machinery. That country's sales of the former topped half a billion dollars in 1967 and exceeded $400 million in the latter. Though its shipments to markets outside the United States climbed by 56% to $4.6 billion, its relative position was unchanged from 1962.

Italy, France, and Japan gained shares at the expense of the United Kingdom and the United States, though none of the three countries accounted for a sizable portion of world sales in 1967. Japan bettered its share to 3.8% by raising exports one and one-half times in value from 1962 to 1967. By doubling foreign sales, Italy was able to capture 7% of the world market compared to only 5.2% in 1962. The French share in 1967 was about the same as Italy's.

Canada accounts for two-fifths of rise in U.S. nonelectric machinery exports

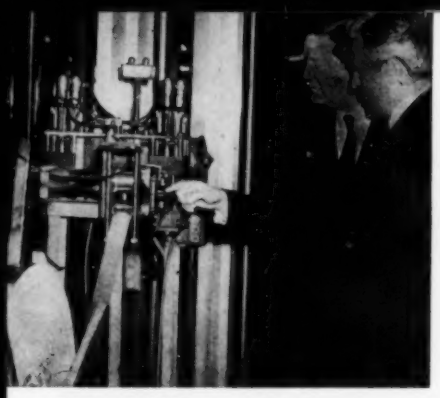
Destination	U.S. exports: Change from 1962 to 1967 $ million	U.S. exports: 1967 Value $ million	U.S. exports: Percent of total
Total	**+2,020**	**5,951**	**100**
Canada	+ 811	1,629	27
Western Europe other than EEC	+ 313	805	14
19 Latin American Republics	+ 242	972	16
Australia/New Zealand/South Africa	+ 179	351	6
EEC	+ 166	899	15
Developing East and South Asia	+ 108	470	8
Near East	+ 98	208	4
Developing Africa	+ 44	167	3
Other Western Hemisphere	+ 43	95	2
Eastern Europe	+ 18	25	*
Japan	− 2	305	5

* Insignificant

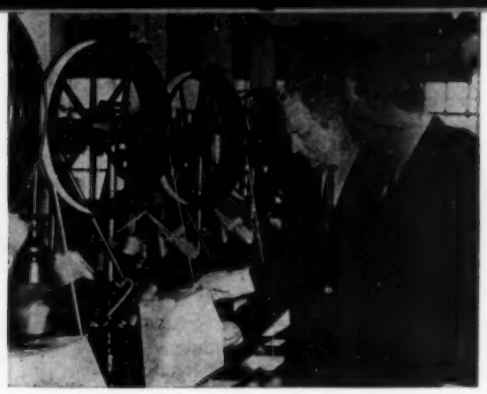
U.S. market position weakens in some nonelectric machinery lines

	World exports 1967 $ million	United States: Exports 1967 $ million	United States: % change from '62 to '67 in value of exports	United States: % change from '62 to '67 in share of world exports	Leading competitor*	Major share gainer*
Metalworking machinery	1,446	339	−22	−27	Germany	Germany
Textile machinery	1,334	168	+ 5	−26	Germany	Germany
Construction and mining machinery	1,069	514	+19	−16	United Kingdom	France
Office machines, except computers and statistical machines	735	286	+88	− 4	Germany	Germany
Agricultural machinery, except tractors	706	237	+50	− 5	Germany	Italy
Aircraft engines	696	335	+ 9	− 6	United Kingdom	Netherlands
Printing and bookbinding machinery	442	98	+43	−10	Germany	Germany
Mineral crushing, sorting, and glass-working machinery	392	99	+20	−13	Germany	Italy
Papermill and pulpmill machinery	358	70	−16	−18	Germany	Germany
Ball and roller bearings	351	88	+42	− (1)	Germany	Germany
Sewing machines	223	31	− 6	−23	Germany	Japan
Steam boilers and boiler house plant	205	72	−48	−27	Germany	Germany

* Among the eight major foreign industrial suppliers. Major share gainer based on absolute increase in percentage share.
(1) Less than 0.5%.



GOING THROUGH LEVOLOR'S cord plant, l., director of international sales, George H. Paul, explains operation to a customer from France.



FRENCH VISITOR is looking on while Mr. Paul points out the working detail of the slat paint line in Levolor's Hoboken, N.J., plant.

GROUP OF EUROPEAN roll-shutter and venetian blind makers visited the factory last spring. The 20 visitors saw a film of Levolor's facilities.

Firm uses plant visits to up foreign sales

Levolor encourages tours of venetian blind factory in New Jersey

A company that can put high class production facilities and imaginative uses of its products before its potential customers, licensees and distributors, shouldn't let 3,000 miles of ocean get in the way.

That's the belief of Levolor Lorentzen Inc., a Hoboken, N.J., venetian blind, components and assembly equipment manufacturer. For several years, Levolor has been playing host to many groups of overseas businessmen and encouraging individual visits to its factory as part of an export sales promotion program.

Seeing is believing

The management feels that by seeing the Hoboken plant and meeting the company's personnel, particularly those Levolor people in charge of international operations, the visitor gets a much better idea of the production of the product.

Other benefits include better personal contact with prospective buyers and improved relations for inspection of production facilities overseas to exchange technical knowledge.

Examples of groups visiting Levolor's factory are:

► From Spain, 20 distributors working with Levolor's licensed manufacturing plant in that country.

► A group of 30 roll shutter and venetian blind makers from Germany laid the foundation for a closer working relationship and was followed up by Levolor's participation in a Shutter & Blind Trades Fair in Stuttgart, Germany. Levolor also actively participates in U.S. Trade Center exhibits sponsored by the U.S. Department of Commerce.

► Levolor's European representatives brought 12 important customers and distributors from Holland. Their plant tour and briefing session was combined with several visits to buildings in the New York metropolitan area equipped with Levolor blinds, for example, the world's largest blind in the RCA exhibit hall.

Individual visits to the plant outnumber group tours.

Levolor said its foreign operations will account for about 20% of its business this year, a 15% increase over last year.

CUSTOMERS FROM HOLLAND are shown the world's largest blind installed by Levolor. The group of eleven Netherlands window blind assemblers were guests of Levolor on a four-day tour including a full study of the plant in Hoboken, RCA's labs in Princeton and sights in N.Y. City.

FINISHED VENETIAN BLINDS are examined by French customer after viewing manufacturer's assembly line as Levolor's Paul (left), looks on.

INTERNATIONAL SALES DIRECTOR Paul discusses sales with overseas representatives at the British Trade Development Office in New York.

United States overseas

Entering exporting for the first time or seeking to expand overseas markets, U.S. firms interested in foreign promotions may find aid in the columns below listing details of coming U.S. overseas activities.

Sales opportunities in nine U.S. exhibitions at commercial trade fairs around the world and 15 shows at the seven U.S. Trade Centers are being offered to present and potential U.S. exporters between next July 14 and June 17, 1970. The shows and commercial fairs are planned after market research indicates a demand for a particular category of products.

Other opportunities of interest are trade missions, America Weeks promotions, the Sample Display Service, and Mobile Trade Fairs. The last three are more fully described in a special notice accompanying this list.

Of the 24 events for which the Bureau of International Commerce is now seeking exhibitors, Germany and Japan are slated for five shows each, Stockholm, London and Milan for three shows each, and one show each for Hong Kong and Australia, Israel, Netherlands, Thailand and Paris.

Each Trade Center exhibition is limited to one particular line of products. Centers are located in London, Bangkok, Milan, Frankfurt, Stockholm, Tokyo, and Paris. The Paris Trade Center is scheduled to open Nov. 17.

For further information on the Trade Center shows described in this listing, or for more facts on U.S. exhibitions at overseas trade fairs, **write:** Commercial Exhibits Program, BIC-932, U.S. Dept. of Commerce, Washington, D. C. 20230.

Trade missions are groups of U.S. businessmen organized to travel abroad to promote the export of U.S. goods and services manufactured by their particular industry. Some are organized and financed by the U.S. Government, while others are originated and paid for by various U.S. industries, with Government approval and assistance.

U.S. manufacturers, wishing further details on submitting business proposals for participation in future trade missions should **write:** Trade Missions Division, BIC-926, U.S. Department of Commerce, Washington, D.C. 20230.

The following calendar of upcoming American trade promotion activities is based on the latest data that is available. It appears regularly in the first issue of INTERNATIONAL COMMERCE each month.

CONSUMER PRODUCTS. Hong Kong and Australia. "Youthquake USA" will be the theme of the America Weeks promotion scheduled for the H. W. Turning & Co., Ltd., 21-unit department store chain in Hong Kong, July 4-14. Another sale, the largest single America Weeks promotion to date, is planned for August, September and October, throughout the Myer's/Farmer's chain of stores located in Brisbane, Adelaide, Melbourne, and Sydney, Australia. Myer Emporium, Ltd., stores form one of the most important department store chains in Australia, with 41 units. Commerce is supplying customer attractions for both promotions. A wide classification of department store merchandise will be featured. Write America Weeks, BIC-926, U.S. Department of Commerce, Washington, D.C. 20230, or telephone Area Code 202, 967-2051, for more details. **Promotions scheduled for July through October.**

FOOD PROCESSING AND SERVING EQUIPMENT. Japan. Japan's dramatic industrial expansion is taking place in a tight labor market resulting in increasing wages and a higher standard of living for the average Japanese citizen. The fiscal year 1968 (ended March 31, 1969) per capita income is conservatively estimated at $1,040, a 9% increase over FY 1967. Moreover, there is a continuing trend towards more eating away from the home and the consumption of western type foods. Imports of food processing and packaging equipment in 1967 were $6 million and $7.4 million respectively, representing significant increases over 1966. A large part of eleven acres at EXPO '70 in Osaka will be devoted to restaurants and coffee shops. The Japanese market now offers excellent sales opportunities for food processing, packaging and serving equipment. In addition, this exhibition offers a rare opportunity to benefit from Japanese end-users purchases for EXPO '70. Take advantage of this opportunity to participate in a dynamic market by calling Area Code 202, 967-5286. **U.S. Solo Exhibition, Osaka. July 21-25.**

HIGH FIDELITY/STEREOPHONIC SOUND EQUIPMENT. Italy. A special opportunity to show and sell the latest equipment for high fidelity and stereo sound production is being opened for U.S. manufacturers with an exhibition timed to run concurrently with an Italian fair. The exhibition will coincide with Italy's Salone della Musica and will be preceded by a special promotional campaign. Italy's booming economy showing promise of a GNP rate increase of at least .8% over last year's indicates increased purchasing power to back the lively interest in Italy for advanced sound reproducing equipment. Amplifiers, tape cartridges, speakers, tuners, receivers, turntables and automobile stereo are items among the equipment and accessories that will make up a U.S. Exhibition. For complete details on participation in this opportune promotion, call Area Code 202, 967-5351. **Milan Trade Center. Sept. 7-11.**

PAPER, ALLIED INDUSTRIES PRODUCTS. Thailand. Thailand today offers immediate and long range sales opportunities and profits for U.S. manufacturers of paper, printing and allied equipment. The rapidly increasing tempo of business, the brisk advance of industrial development, coupled with the ready acceptance of advanced methods of packaging, merchandising and business management have led to an accelerated use of paper in all its forms. While the demand for paper products continues to expand, local Thailand producers are presently able to supply less than a quarter of the paper stocks needs. Over the next year, however, completion of several large new paper factories will change the supply substantially, especially for kraft, newsprint and some simpler types of paper stock. This local source of less expensive paper

promotions scheduled

is expected to further stimulate Thailand's domestic converting and graphics industry, creating more promising markets for U.S. manufacturers. For additional information call Area Code 202, 967-4858. **Bangkok Trade Center. Sept. 16-19.**

CHEMICAL PROCESSING EQUIPMENT. Japan. The dynamic expansion of chemical production in the last few years has made Japan the world's second largest producer. The chemical industry increased production by 17% in fiscal year 1967 with a 10% increase estimated for FY 1968. Japanese petrochemical production alone increased 28% in FY 1967 to 25% of aggregate chemical output. Equipment investment in the chemical industry rose by an estimated 55% in FY 1968 to $1.4 billion. The petrochemical industry, which has a 50% share of chemical investments, estimated increasing investment in FY 1968 at 78.2% over the preceding year. A recent market study indicates strong Japanese interest in certain types of U.S. chemical processing equipment. U.S. manufacturers can capture a growing share of this market as the Japanese desire the most modern equipment and will pay for it. Some of the products with outstanding sales potential in Japan are: corrosion resistant materials; disposal, recovery and cleaning systems; temperature and pressure equipment; separating, size reduction and classification equipment; instruments for plant control, automation equipment and vacuum equipment. For more information on this market and for full details on how you may participate, telephone Area Code 202, 967-4511. **U.S. Commercial Exhibition, Chemical Plant Engineering and Measuring Equipment Show, Tokyo. Sept. 16-21.**

COMPONENTS FOR MACHINERY & VEHICLES. Scandinavia. This exhibition will be directed primarily to Scandinavian original equipment manufacturers of machinery and vehicles. There are several hundred such firms in Sweden alone who manufacture over $1 billion of the following types of machinery and vehicles annually (value of equipment produced in 1966 in parentheses): Materials handling equipment ($117 million); excavating, mining, crushing, and sorting machinery ($100 million); tractors and farm machinery ($98 million); machine tools and woodworking machinery ($60 million); automobiles, trucks and military vehicles ($454 million); other specialized industrial machinery ($197 million). Swedish equipment manufacturers alone use $600 million of components annually for machinery and vehicles, and half of these components are imported. According to a market survey just completed overseas, the Swedish markets for hydraulic and pneumatic equipment and hydrostatic transmissions are expanding very rapidly, and U.S. companies should get a large share of these markets. Other areas in which U.S. companies should achieve good sales are: specialized electric motors, diesel engines, clutches and couplings, special engines and fuel cells, numerical controls, coolant pumps and filters, specialized controls and switches, etc. For more information on these markets and for full details on how you may exhibit, telephone Area Code 202, 967-5751. **Stockholm Trade Center. Sept. 17-23.**

WELDING AND CUTTING EQUIPMENT. Germany. The Department of Commerce will sponsor a U.S. Exhibition at the Seventh Welding and Cutting Trade Fair at Essen in September. This fair is held every four years and is acknowledged to be the largest and most important fair in its field. For further information call Area Code 202, 967-4601. **U.S. Commercial Exhibition, Seventh Welding and Cutting Trade Fair, Essen. Sept. 20-28.**

THERMAL INSTRUMENTS. United Kingdom. In the United Kingdom the market for all thermal instruments totaled $75 milion in 1968. That group of thermal instruments to be included in this exhibition had a 1968 market of $50 million. The thermal instrument market, under conditions existing at the beginning of the year, is projected to increase by 10% in 1969. Imports from the United States into the United Kingdom are expected to increase in 1969 over 1968 by approximately 5%. The increase will be greater for those products incorporating advanced technology as the United Kingdom continues to rationalize and expand industrial production. The objective of the thermal instruments exhibition is to give an opportunity to the major users in the United Kingdom to review all their thermal instrument requirements against the best the United States manufacturers have to offer. For complete details telephone Area Code 202, 967-3848. **London Trade Center. Sept. 22-26.**

COMPUTER COMMUNICATIONS AND DISPLAY EQUIPMENT. Germany. Germany is the largest computer market outside the United States. There were approximately 3,800 computers installed as of January 1, 1968, and this figure is projected to grow by about 1,000 installations per year until 1972. Exports from the U.S. have also grown on an average of 50% during the past 3 years reaching $81 million in 1968. Over 80% of the computers installed and on order in Germany are of U.S. design making most U.S. peripheral and software compatible. Plan now to explore this giant market further. For detailed market information, call Area Code 202, 967-4162. **Frankfurt Trade Center. Sept. 22-26.**

AUTOMOTIVE DIAGNOSTIC AND SERVICE EQUIPMENT. Japan. Phenomenal growth in automobile ownership, combined with a compulsory comprehensive inspection system, has created a growth market for diagnostic and service equipment. Thirteen million four-wheel vehicles were registered in Japan in 1968, a 30% increase over 1967. By 1973, registrations are expected to reach 22 million. Over 40,000 automotive service facilities are now in existence, and severe shortage of skilled mechanics has created a growing demand for advanced service and maintenance equipment. Government regulations require detailed semi-annual inspections of privately-owned automobiles and monthly inspection of commercial vehicles. All vehicles must undergo comprehensive annual inspection. There is, therefore, a considerable market for diagnostic equipment. Currently 2,000 private repair shops are authorized to undertake this inspection, and by 1974 the number is expected to increase to 9,600. In 1967, 38 U.S. firms successfully exhi-

bited in a similar show in the Tokyo Trade Center. Take advantage of this opportunity to sell in a rapidly expanding market by calling Area Code 202, 967-4511. **Tokyo Trade Center. Sept. 29-Oct. 4.**

PRODUCTION EQUIPMENT FOR THE ELECTRONICS INDUSTRY. Japan. The market for electronics production equipment is one of the most intriguing in Japan today. Japan has carved out a position in world markets as the second largest producer of electronic products. This breathtaking growth has fostered a dramatic increase in demand for electronics production equipment, a significant portion of which must be imported. For example, imports account for from 60-70% of the integrated circuit production equipment used in Japan. Purchases of electronics production equipment during 1968 have been estimated at over $30.5 million. The largest single category was IC production equipment ($14 million) followed by production equipment for semi-conductors ($8.3 million), automatic printed circuit boards ($5.3 million), and semi-conductor material ($2.7 million). U.S. products are in demand. The U.S. Exhibition will include production equipment for manufacture of integrated circuits, printed circuit boards, semi-conductor materials and components, and large scale wire interconnecting equipment. This exhibition is part of the annual Japan Electronics Show sponsored by the Electronics Industries Association of Japan. Take advantage of this opportunity by calling Area Code 202, 967-4705. **U.S. Commercial Exhibition, Japan Electronics Show, Osaka. Oct. 1-7.**

HOTEL, RESTAURANT, MEDICAL, AND CHEMICAL EQUIPMENT AND MACHINE TOOLS. Israel. Israel has entered a new phase of economic development and is moving toward modernization and automation of industry, promotion of exports and tourism, and improving the medical facilities available to her people. Hotel, restaurant, and catering equipment; medical and hospital equipment; chemical processing equipment; and selected machine tools are needed to fulfill her long-term development plans. A recent market survey conducted by the U.S. Department of Commerce showed that sales opportunities have never been better for these products. To insure your share of this booming market, call Area Code 202, 967-4508 to obtain full details on how you may participate in this exhibition. **U.S. Solo Exhibition, Tel Aviv. Oct. 5-10.**

INDUSTRIAL PROCESS CONTROLS. Germany and the Netherlands. $350 million! That's the forecast of the size of the 1969 market for industrial process controls and computers in Germany and the Netherlands, and the outlook is for an absolute minimum growth of 10% annually for the next five years. An acute shortage of skilled labor and international competition have combined to create a receptive market in both Germany and Holland for U.S. products in the process control fields. To assist U.S. firms to exploit this sales opportunity, the Commercial Exhibitions Program will sponsor a unique floating exhibition, incorporating the K.D. Lines' ships, the M.S. Loreley, and M.S. Europa. Exhibition stops will be made in Germany at Cologne, Karlsruhe, Wiesbaden (Frankfurt area), and Duisburg (head of Ruhr Valley area), and in the Netherlands at Rotterdam. For complete details on this unique Rhine Solo Exhibition, phone Area Code 202, 967-3088. **U.S. Solo Exhibition, Rhine River, Germany and the Netherlands. Oct. 13-25.**

ENVIRONMENTAL POLLUTION CONTROL. Scandinavia. In March 1969, Sweden kicked off an extensive Government, TV and radio-sponsored campaign for new and improved control measures in the areas of air and water pollu-

America Weeks

America Weeks are overseas retail sales promotions of U.S. consumer goods.

Overseas retailers planning one of these promotions make their merchandise selections through overseas offices or agents of American manufacturers or through an appropriate U.S.-based buying office.

Announcement of each separate America Weeks promotion, along with the name of the related buying office, is made by INTERNATIONAL COMMERCE. Consumer goods suppliers interested in selling to overseas stores holding America Weeks promotions should contact the overseas stores directly if agents are utilized, or otherwise work through the stores' U.S.-based buying office.

Any U.S. organizations interested in supplying promotional material for this program are asked to give a brief description of the exhibition or demonstration, and to indicate the languages in which it is available.

Write: America Weeks, BIC-926, Department of Commerce, Washington, D.C. 20230.

Sample Displays

A Sample Display Center is just what its name implies—a place to show samples of U.S. products.

U.S. firms without agents in the area may use any Center to present their products to prospective local agents and distributors.

Centers are supervised by U.S. commercial officers at the embassies in the host countries. U.S. products and descriptive literature may be displayed without charge for 30 days.

For information on the Centers in Bangkok, Beirut, and Nairobi, **write:** Sample Displays, BIC-918, Department of Commerce, Washington, D.C. 20230.

For the Sample Displays at Addis Ababa and Hong Kong, **write** to the Commercial Attache at the American Embassy in Addis Ababa and the Consulate General in Hong Kong.

Mobile Trade Fairs

Mobile trade fairs are private business ventures designed to show and sell products of U.S. business and agriculture through traveling exhibitions carried in ships, airplanes, trains and exhibit vans.

Objectives of a mobile trade fair are to help U.S. firms enter the exporting field; to open new markets for American goods; and to assist U.S. business concerns in finding overseas agents.

The Bureau of International Commerce provides technical support and certain kinds of financial assistance to qualified mobile trade fair operators.

Write: Mobile Trade Fairs, BIC-926, Department of Commerce, Washington, D.C. 20230.

tion. While there are no specific statistics available regarding production and foreign trade in this area, an on-the-spot survey reveals a very active and growing market in Scandinavia for pollution control equipment, as well as monitoring and calibration instrumentation. In 1969, Sweden alone will spend over $100 million on such equipment and instrumentation. Potential best sellers for American manufacturers range from sludge reduction equipment to sophisticated calibration equipment for measuring presence of metal, fluorine and acid in industrial effluent. American manufacturers of solid waste disposal equipment and noise abatement devices are also invited to participate in this important event. This is a too-good-to-miss opportunity for U.S. firms to show and sell their products in the Nordic market area. For further information on the demand for pollution control equipment and instrumentation in Scandinavia, and for details on exhibiting, call Area Code 202, 967-3741. **Stockholm Trade Center. Oct. 15-21.**

CONNECTORS, RELAYS, MICROSWITCHES, POTENTIOMETERS. Germany. German consumption of electrical components is growing at one of the fastest rates for any segment of the economy. The total market, aside from the demand of the German Bundespost for connectors, relays, microswitches and potentiometers is estimated at $90 million a year. It is expected to grow at a rate of 20% a year. The American share of this market is about 30% with about $15 million representing direct imports from the USA, the balance being manufactured in Germany and other European countries. A substantial portion of these imports is intended for military applications. For further information on this market and how you may exhibit, call Area Code, 202, 967-4162. **Frankfurt Trade Center. Oct. 20-24.**

ADVANCED TRAINING AIDS. Italy. Italy's brisk economic growth at a rate higher than any other European country has pushed its gross national product beyond the $70 billion mark in 1968. This unprecedented level of national wealth is twice that of only a decade ago. Government officials and businessmen all agree that Italy must strive toward the highest educational standards in order to support its highly industrialized society. It is in this setting that a recent market study concludes that Italy is an excellent and growing market for advanced educational aids and audio-visual equipment for industry, schools, and government. To ensure your share of this growing market write now to obtain full information on how you may participate in this important exhibition, or call Area Code 202, 967-3944. **Milan Trade Center. Oct. 21-25.**

TRADE CENTER SHOWS and exhibitions, such as the U.S. Industrial and Scientific Photographic Equipment Show pictured here, attract buyers who add several million dollars to U.S. exporting yearly. Below, a Japanese businessman is about to become part of the Polaroid Corp. display.

DYNAMICS TEST EQUIPMENT. United Kingdom. In 1968, the U.S. share of total United Kingdom imports reached 12.9%, a .4% improvement over 1967. U.S. dollar volume was up approximately 10%, with a 5% improvement expected in 1969. Thus, the U.S. continues to improve its position in this market in the face of import and economic restraint regulations. To assist U.S. industry to further penetrate the U.K. market, a dynamics test equipment exhibition will be held featuring test equipment in the disciplines of vibration, acoustics, shock, fatigue, force, strain, and pressure. The exhibition promotion campaign will cover all industries offering a significant market for dynamics test equipment. Special emphasis will be placed on promotion to the major industry areas of automotive, aeronautical, electronic, civil engineering, architectural and packaging operations. For complete details as to how you may participate in this exhibition, telephone Area Code 202, 967-4461. **London Trade Center. Nov. 10-14.**

SHIPBUILDING, MARINE AND PORT EQUIPMENT. Netherlands. Shipbuilders, shipowners, stevedoring companies and port officials from throughout the world will attend this show, which is the largest international maritime exhibition. The shipbuilding and marine industries are regaining vitality and are again becoming important in the economies of the Western European maritime countries. As of Oct. 1, 1968 these countries had 51.1% of the total world's new ship tonnage either under construction or on order. In recent years European shipyards have invested heavily in building mammoth size docks to accommodate construction of vessels weighing 259,000 d.w.t. New yards are under construction and more are scheduled for completion within the next two years to facilitate building of the super size vessels. Both builders and owners are looking for advanced equipment and machinery which will help them maintain or improve their competitive position. European ports have also had to invest heavily in new facilities to meet the ever increasing demand for faster and more efficient service in unloading and loading cargoes. For example, Rotterdam, the largest port in the world, will invest over $300 million within the next five years in adding and improving port facilities. Recent market surveys indicate that U.S. manufacturers of sophisticated maritime products will find an exciting profitable market for equipment incorporating the latest technological developments. Firms interested in reserving space for this exhibition should act immediately due to the limited space available and the high degree of interest in this show prevailing in industry. For further details call Area Code 202, 967-4256. **U.S. Commercial Exhibition, EUROPORT '69 8th Annual International Maritime Exhibition, Amsterdam. Nov. 11-15.**

LASER EQUIPMENT. France. Growing European interest in laser technology and its practical applications is creating

U.S. AMBASSADORS William Heath and Angier Biddle Duke inspect a distillation unit at the Maritime/USA exhibition. U.S. exhibitions and commercial fairs attract trade visitors from many nations to view the latest technology.

a rapidly expanding market for laser equipment. Presently the market for laser hardware and systems in Europe is estimated at about $3.5 million. Demand is expected to soar, and by 1972 it is forecast that sales will reach $8 million annually. Until recently, interest in laser technology was centered mainly in scientific and academic circles, but now industry is becoming aware of the use of lasers for commercial and industrial purposes. Among European countries, France has been a leader in experimentation and developments in the field. However, the U.S. maintains a dominant position, and prospects for expanding sales of laser equipment in Europe are very good. To assist U.S. companies in entering and exploring the market, an exhibition will be held so that U.S. suppliers can display and sell their products to a select audience of potential European buyers. This exhibition will be the opening show at the new U.S. Trade Center in Paris. Firms interested in this event should telephone Area Code 202, 967-3822. **Paris Trade Center. Nov. 17-21.**

AEROSPACE EQUIPMENT, SUPPLIES. Japan. Continued expansion of Japan's aerospace industry, air fleet and airport facilities has created a growing market for U.S. aerospace equipment and supplies. A total of 156 aircraft are usually purchased per year in Japan, worth approximately $166 million. Of this, 47 aircraft worth about $88 million, are purchased from the U.S., and the remainder is primarily from domestic production. In addition, an annual average of $177 million is spent on aircraft engines, parts and equipment, with about $77 million of this in U.S. imports. A new international airport near Tokyo is now under construction, scheduled for completion in 1971, at a cost of $344 million. In addition, $300 million has been budgeted for enlarging and expanding facilities of 46 other airports by 1973. U.S. products are preferred because the Japanese aerospace industry and the Self Defense Agency are oriented to the use of U.S. equipment and tend to regard the quality of American products as good. For detailed market information, call Area Code 202, 967-5286. **Tokyo Trade Center. Nov. 17-22.**

MICROELECTRONICS, COMPONENTS, PRODUCTION AND TEST EQUIPMENT. Italy. Microelectronics is expected to grow faster than any other industrial field in Italy. Although the main use of microcircuits will be in computers and military and airspace systems for the present, technicians in Italy are already working on projects involving integrated circuits in industrial controls, domestic appliances such as washing machines, consumer electronics such as radio and television sets and laboratory equipment. Italian specialists in microelectronics are predicting other applications for microcircuit technology including the use of microcircuits in automobiles. For more information on this market and for full details on exhibiting, telephone Area Code 202, 967-5351. **Milan Trade Center. Nov. 18-22.**

INTERMED '70. Scandinavia. Sharply increasing demand for advanced medical equipment is expected to accrue to the advantage of U.S. manufacturers who now account for 11 to 14% of the Scandinavian market for medical, surgical and hospital equipment. In fact, U.S. exports of these products already have increased by 30% in 1968. Scandinavian imports of medical-surgical equipment and pharmaceuticals are expected to exceed $75 million in 1969 (Sweden—$31.6 million; Denmark—$17.8 million; Norway—$16.5 million; Finland—$9.4 million) with American manufacturers' share increasing substantially. Sweden is currently centralizing all health and social services. These services are characterized by a high degree of organization and are keyed to meet the needs of the advanced social benefits program available to the entire population. Emphasis is on equipment which will provide "automated" treatment and reduced personnel requirements for patients with serious illnesses, such as heart, cancer and other long-term chronic ailments. This show is an effective and inexpensive way to achieve broad market exposure and sales in Scandinavia. Tentative plans call for famed heart specialist Dr. Michael E. DeBakey to be present at the Trade Center Show. Dr. DeBakey will also address the concurrent Swedish National Medical Congress. For further information, and to make booth reservations, call Area Code 202, 967-3714. **Stockholm Trade Center. Nov. 26-Dec. 2.**

METALLURGY '70. United Kingdom. The U.K. Government is planning massive investments in the public sector of the steel industry to modernize equipment and facilities to improve the industry's competitive position in world markets. Special loans are to be made to the private sector of the aluminum industry in order to establish a primary production capability to meet the major share of U.K. consumption needs in this metal. Since only 10% of aluminum consumed is now produced in the U.K., substantial investments in machinery and equipment will be needed to reach this goal. Imports by the U.K. of nonferrous metals total over $1 billion annually. The U.K. production capacity for all metals is insufficient to meet their annual consumption. The powder metal industry is running at a $36 million pace with 80% of all powder metals being imported. By 1975, consumption of powder metals is expected to reach $134 million. The exhibition will feature the product categories of automation instrumentation and controls, physical test equipment, specialty metals and alloys, and powder metallurgy materials and equipment. For complete details telephone Area Code 202, 967-3838. **London Trade Center. Dec. 8-12.**

MEASURING, RECORDING AND CONTROL INSTRUMENTATION FOR THE CHEMICAL INDUSTRY. Germany. The Department of Commerce will organize a U.S. Exhibition of instrumentation for the chemical industry at ACHEMA 1970. The fair, held every three years, is regarded as the world's leading showplace for equipment for the chemical industry. For further information call Area Code 202, 967-2425. **U.S. Commercial Exhibition, ACHEMA 1970—16th Chemical Engineering Exhibition and Congress, Frankfurt. June 17-24, 1970.**

Space fully booked

The following shows, in which all available exhibit space has been reserved, are still open for visits by interested representatives of the industries involved. U.S. firms with sales representatives or distributors in the area of any of the listed Trade Centers and exhibitions can ask these local businessmen to visit the shows to see the 'state of the art' in each particular field.

ADVANCED MEDICAL EQUIPMENT. Germany. U.S. achievements in the advanced medical equipment field have long been recognized by Germany's leading doctors. Approximately 4,000 of these specialists will attend the Medical Congress, Diagnostica, at Karlsruhe with primary emphasis in the diagnostic field. Concurrently, the U.S. Department of Commerce will sponsor a special exhibition of advanced medical equipment. **Frankfurt Trade Center Offsite Show at Diagnostica, Karlsruhe. June 6-10.**

AUTOMOTIVE PRODUCTION EQUIPMENT. Japan. The phenomenal expansion of automotive production in the last few years has made Japan the world's second largest producer. There was a production increase of almost 40% during Japan's fiscal year 1967 and the Japanese Government has predicted nearly a 300% growth in passenger car production in 1971 over 1966. **U.S. Solo Exhibition, Tokyo. June 10-14.**

DATA PROCESSING. Scandinavia. The Stockholm show will attract from throughout Scandinavia potential buyers representing Government agencies, banks and other financial institutions, computer time-sharing centers, manufacturing establishments and firms engaged in providing transportation services. **Stockholm Trade Center. June 11-17.**

MARINE EQUIPMENT. United Kingdom. The British shipbuilding order book for 1968 is expected to exceed 1967 orders by 106%. The devaluation of the pound plus reorganization of the shipbuilding industry has given British shipbuilders a competitive edge over the European shipyards. **London Trade Center. June 11-18.**

INDUSTRIAL AND PUBLIC SECURITY EQUIPMENT. Italy. Unprecedented Italian economic expansion is creating problems whose solution requires the use of sophisticated security systems and equipment. For American manufacturers of security items ranging from such items as electronic intrusion detection equipment, fire alarm devices, and lock systems through personnel identification systems to police equipment for such functions as crowd and traffic control, sales prospects have never been better. **Milan Trade Center. June 12-16.**

DATA PROCESSING. Thailand. There is a growing need for data processing equipment and know-how to help Asian nations meet the demands of rapid economic growth and industrial expansion. At the Bangkok data processing seminar exhibition experts from American firms will meet with key government and business leaders from throughout Asia to discuss the computer field and its many applications. **Bangkok Trade Center. June 23-27.**

GRAPHIC ARTS EQUIPMENT. Japan. Japan's dynamic graphic arts industry has experienced an estimated annual growth rate of 20% and the industry is expected to continue expanding. To accommodate this growth, imports of printing machinery and related products have amounted to around $15 million a year during the past few years. **Tokyo Trade Center. July 21-26.**

MACHINE TOOLS AND QUALITY CONTROL EQUIPMENT. Mexico. U.S. industry can improve its share of the Mexican market through aggressive selling and greater sales promotion efforts. To assist the U.S. machine tool industry, the Department of Commerce and the American Society of Tool and Manufacturing Engineers (ASTME) will sponsor the First Inter-American Manufacturing Engineering Conference to be held in conjuction with the Department of Commerce Machine Tool Solo Exhibition. **U.S. Solo Exhibition, Mexico City. Sept. 18-26.**

NUCLEAR EQUIPMENT. Switzerland. The European market is becoming especially attractive as programs for nuclear energy for power generation and the use of nuclear technology for many other uses becomes a multibillion dollar business. Sales of nuclear equipment will soar as the industrialized countries expand their activities in this field. New opportunities for U.S. suppliers of nuclear equipment are opening up. **U.S. Commercial Exhibition, NUCLEX '69, Basel, Switzerland. Oct. 6-11.**

SCALE MODEL OF UNDERWATER LABORATORY draws the attention of opening day VIP visitors at Oceanology International '69, Brighton, England. Examining the display is British Minister of Technology, the Rt. Hon. Anthony Wedgewood Benn, M.P., left, and Georgian congressman John J. Flynt.

First floating U.S. exhibition will sail down Rhine River through Germany, Netherlands

Manufacturers of industrial process controls, instrumentation, and computers invited to promote products on 800-mile October sales trip

Forty American manufacturers will go nautical next fall in a unique U.S. Department of Commerce floating trade fair on the Rhine River through Germany and the Netherlands.

First of its kind in the Department's overseas commercial exhibitions program, the water-borne trade show will take U.S. makers of industrial process controls, instrumentation and computers on an 800-mile sales trip through the heart of one of the most highly industrialized areas of the world.

The show will sail Oct. 13-25 from Cologne to Rotterdam in two units—the exhibition itself on the covered decks of the M.S. *Loreley*, accompanied by the cabin ship, M.S. *Europa*, to house exhibitors.

The all-U.S. exhibition will open in Cologne, then sail to Wiesbaden, Karlsruhe, Duisburg and Rotterdam, stopping two full days in each port. About half of West German industry and virtually all major Dutch industries are located within an hour's drive of the five cities where the floating trade fair will dock.

Among products to be shown are advanced fluid power equipment, analytical instrumentation, electronic and electromechanical controls and components, precision transducers and programming modules. Capacity of the exhibition ship *Loreley* is limited to 40 exhibitors. The fee for exhibit space and accommodations for one exhibitor's representative on the *Europa* totals $1,350.

Combined, the German-Dutch markets for equipment in the field of automation are estimated at $1.2 billion annually. Estimated annual expenditures for process controls and instrumentation are about $350 million, and are growing an average of 15% a year.

The Rhine River show will be preceded by an intensive market development campaign designed to assure maximum attendance of prospective buyers, importers, agents, distributors and manufacturing licensees at all ports of call.

BARGES ON THE RHINE trading with German and Dutch industrial cities will see new competition when the M.S. *Loreley* and *Europa* sail up the river in the first floating U.S. commercial exhibition. Forty U.S. manufacturers of industrial process controls, instrumentation and computers will be aboard for the journey in October. The trip will open in Cologne and finish two weeks later in Rotterdam.

Last year another Department traveling exhibition resulted in substantial export sales for U.S. businessmen. After four days at the U.S. Trade Center in London, compact computers exhibited by 16 firms were mounted on a seven-car train that visited Birmingham, Manchester and Newcastle, England, and Glasgow, Scotland. Exhibitors shared in more than $1.6 million of new overseas business in the 12 months following the show.

U.S. manufacturers interested in the Rhine River exhibition may obtain more information from the U.S. Department of Commerce (BIC 938), Washington, D.C., Area Code 202, 967-3088, or from any of the Department Field Offices.

International engineering show planned in Sydney

The Metal Trades Employers Association and Exhibition Promotions Pty. Ltd., Sydney, Australia, are inviting foreign participation in their International Engineering Exhibition, Aug. 17-22, 1970.

Planned for the Sydney Royal Agricultural Society Showground, the show will closely resemble the last International Engineering Exhibition held in 1968. Over 32,000 trade visitors attended the exhibition and purchased over $11.2 million in immediate orders before the show closed. Almost 100 commercial exhibitors from 18 countries took part in the last show.

High sales figures were attributed in part to the three mailing campaigns to 17,000 Australian factories, and to the two day symposium, "Efficiency in Production", held in conjunction with the exhibition.

Write: Thomson Exhibition Promotions Pty. Ltd., 415 Bourke St., Melbourne 3,000, Australia.

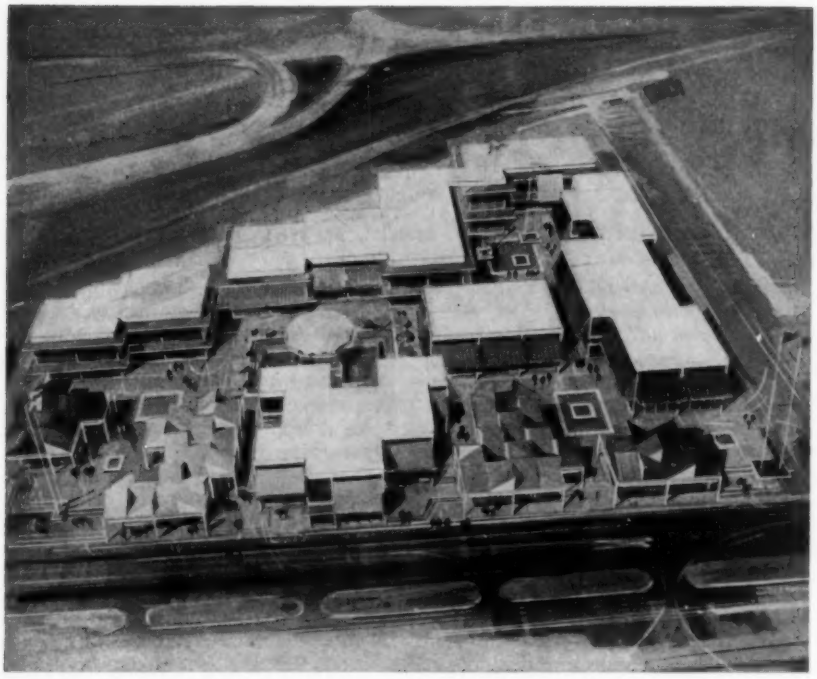
Textile machinery, supplies show planned for Australia

U.S. firms seeking to promote new or established lines of textile machinery and supplies to the Australian market may find interest in the Second International Clothing Machinery and Supplies Exhibition in Sydney, Nov. 3-6.

Sponsored by the Federated Clothing Industries Council, this exhibition is expected to be larger than the first in 1966. At that time, 150 exhibitors from 11 countries were present.

A two-day Needle Trades Production Conference will be held on the weekend prior to the exhibition.

Write: Thompson Exhibition Promotions Pty. Ltd., 47 Chippen St., Chippendale, N.S.W. 2008, Australia.



DESIGN VIEW OF AMERICAN PARK, the private exhibition area for displays of U.S. firms, city and state governments and organizational bodies, indicates the final layout of its pavilions, parks and plazas. American Park will be located across from the official U.S. government pavilion at EXPO '70, first world's fair in Asia. Construction on half of American Park was started last month.

U.S. will participate in Asian world's fair with government, private industrial displays

EXPO '70 to have Mar. 15-Sept. 15 run, expects 40-50,000,000 visitors; Japan, largest U.S. customer, thinks fair will increase GNP, tax revenues

Groundbreaking ceremonies were held in Osaka, Japan last month for American Park, the private commercial exhibition across from the official U.S. pavilion at EXPO '70, the first world's fair to be held in the Far East. American Park will house displays of U.S. companies, states, cities and other enterprises.

EXPO '70, scheduled from Mar. 15 to Sept. 13 with an expected attendance of 40 to 50 million, is sponsored by the Japanese government. Participation is open to governments, industrial and commercial firms, state, city, semi-governmental and private organizations.

The U.S. Government, participating through the U.S. Information Agency, has appropriated $10 million to design, build and operate a pavilion at the fair. The proposed $4.4 million structure, still in the final design stages, will be an elliptical dome shaped structure.

The American Park, organized by the American Park Corp., New York, will incorporate plazas, gardens, and nine commercial pavilions for use by private U.S. firms, and city, state or organizational bodies into an American setting.

The American Park Corp. acquired 100,000 square feet of space for renting to American exhibitors or firms of American origin, making it possible for 30-40 companies interested in the Japanese market to display their products without having to operate in a separate structure.

The American Park is designed in four sections. One will house displays from 25 to 30 firms. A second will accommodate six to eight American cities, states or organizational bodies. The third division will contain American style restaurants, snack-bars, and a souvenir shop. The fourth, centrally located in the Park, will be a plaza featuring all forms of American style entertainment from Indian tribal dances to Hawaiian music.

In addition to the leased exhibit space, there will be a theme building reflecting facets of American life.

Promotional activities for their fair include a worldwide campaign begun on Mar. 15, a year from the fair's opening day, to attract the attention of not only the Japanese, but international recognition as well. The Japan Association for the 1970 World Exposition is handling the advertising.

At this time, the United Nations and 48 foreign governments are planning official participation, and others are expected.

Any U.S. company or organization wishing to participate in the American Park exhibition may obtain further information by contacting The American Park Corp., 1345 Avenue of the Americas, New York, N.Y., 10020, Area Code 212, 974-7720.

Electrical equipment show set in Paris next spring

Electrical and electronic equipment for industry and public service will be on display at the Fifth Biennial of Electrical Equipment in Paris, May 27-June 4, 1970.

Applications are now being accepted for this show which will occupy the first floor of the CNIT Building, Rond-Point de la Defense, Pateaux.

Further information concerning this exhibition may be obtained by **writing:** La Biennial de L'Equipment Electrique, 11, rue Hamelin, Paris, 16, France. Information is also available from the French Chamber of Commerce, 1350 Avenue of the Americas, New York, N.Y. 10019, Area Code 212, 582-4960.

Holiday gift exporters are invited to show goods at 10th 'Christmas Today'

U.S. exporters of Christmas items are invited to participate in the 10th "Christmas Today" International Market Show in Rome, Dec. 4-21.

Audio-visual equipment, sports goods, clothing, beauty products and jewelry are items expected to find a substantial market with European Christmas shoppers.

At the 1968 show, 150,000 persons visited the exhibition, purchasing nearly $1 million in goods.

Firms interested in participating in this show may **write:** Mospra Mercato Inter Nazionale, "Natale Oggi", Via Isonzo, 25, 00198, Rome, Italy.

U.S.-Liberia trade strong

No. 1 position held despite growing competition; easier credit sparks business

By E. J. RANKIN

Commercial Officer, U.S. Embassy, Monrovia

The 1969 outlook for sales of U.S. products to Liberia is cautiously optimistic. Local firms report that sales have returned to normal and are edging upward, a welcome change from the tight credit, high inventory situation which prevailed during much of 1968.

In spite of increasingly strong sales competition from the United Kingdom, West Germany, Japan, Eastern European countries and Communist China, the United States remains Liberia's principal supplier as well as its main customer. Sales of U.S. products are expected to total approximately $48 million in 1969.

Although import statistics are not yet available, reliable sources report that 1968 general cargo imports were 20% to 25% below 1967 levels, when the value of imports totaled $125 million. The Liberian Government's suspension in September of the law requiring foreign commercial firms to deposit in escrow $10,000 over a five-year period has had a salutary effect upon the market.

As a result of the law's suspension most foreign-owned firms, which comprise more than 90% of the nation's wholesalers and retailers, eased self-imposed credit restrictions and distribution patterns were normalized.

The success of Liberian Government efforts to increase revenues in 1968, the successful negotiation of a further rescheduling of its international debt obligations and Government forecasts of a new high of more than $58 million in revenue for 1969 have helped bolster the favorable business outlook.

Rubber price doubles

The local price of natural rubber, which had dropped to a low of 9.3 cents per pound during 1968 has edged upward steadily to a healthy 18.3 cents per pound. The full effect, in terms of buying power, of these higher prices for Liberia's chief agricultural export will not be felt until after mid-1969 when the country's many small rubber producers will have repaid Government loans made in the form of a price subsidy in 1968. Production of natural rubber, also an important source of Government revenue, reached 62 million metric tons in 1968 and is expected to exceed 67 million metric tons in 1969.

The production of iron ore, Liberia's most important export product, reached 19.5 million metric tons in 1968 and is expected to rise to 22.4 million metric tons in 1969. Although world prices of iron ore remain low, the value of Liberia's production in 1968 was increased by the Liberian-American-Swedish Minerals Co. (LAMCO) production of 1.2 million tons of pellets which sell for more than $11 per metric ton compared with the selling price of approximately $6.50 for certain grades of unprocessed iron ore.

The Bong Mining Co. is investing $45 million for the construction of a similar pelletizing plant. The Bong pelletizing plant, scheduled to commence production in late 1970, will utilize American equipment valued at $5 million.

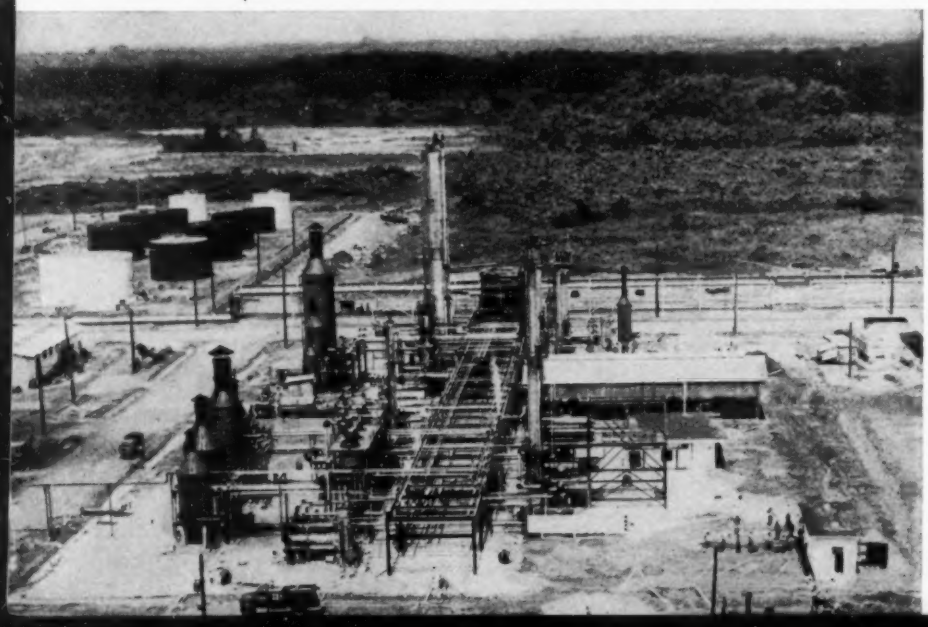
The Sunray DX Hydrocarbon Research $15 million joint venture refinery, the Liberia Refining Co., commenced production in late 1968, changing the bulk of Liberia's petroleum import requirements from refined products to crude petroleum. Lubricating oils and greases are not produced by the refinery and are still being imported.

The Liberian Industrial Development Corp. (LIDCO), a private firm, expects to commence operation of its rice mill at the Freeport of Monrovia in June. As the mill will use parboiled brown rice, there is likely to be a major shift in Liberia's rice import requirements from parboiled milled rice to the parboiled brown. The United States will continue to be the principal source of supply for Liberia's rice requirements which average 35,000 tons annually.

Liberia's logging industry is developing rapidly, with several firms which had been operating in adjacent countries now commencing operations here. The development of a major timber concession granted to an American firm in Sinoe and Grand Gedeh Counties, scheduled to commence this year, will bring significant export opportunities to American suppliers of logging equipment and, eventually, sawmill machinery. The construction of roads in connection with timber extraction operations will increase demand for earthmoving and roadbuilding equipment.

Offshore petroleum exploration, also likely to commence within the next year, will afford opportunities for American firms to export oil-drilling equipment and materials. The Government's invitation to bid for petroleum exploration rights

LIBERIA'S CHANGING PETROLEUM IMPORT PATTERN is due largely to this recently-opened $15 million oil refinery, which is a joint venture of Sunray DX and Hydrocarbon research, both U.S. firms.



brought responses from more than a dozen firms before the closing date for bids on May 31.

The U.S. Agency for International Development has granted the Government of Liberia a project loan for the improvement of operational facilities at Roberts International Airport, which will provide a variety of export opportunities for American suppliers. The proposed project includes runway lighting, an approach lighting system, an instrument landing system, a runway visual range system and ceilometer, meteorological equipment, control tower communication equipment, a commissary building with refrigeration and food preparation equipment, a power building with an emergency power generating system, a fire/rescue building and an air traffic control tower.

Invitations to contractors to apply for prequalification are being extended by the Agency for International Development, Washington, D.C. Purchases of the equipment will be made by the firm awarded the contract for the entire project.

Could help U.S. firms

Major export opportunities for American firms could result from investigations of iron ore deposits currently underway in two areas of Liberia. The Liberian Iron and Steel Co. is continuing exploration of iron ore deposits in its Wologisi Range concession area. Should the results of these investigations prove positive, they could lead to an investment exceeding $300 million in the mining complex including construction of a railway from the mine to Robertsport and the development of port facilities there.

Prospecting operations have also been undertaken by the Bong Mining Co. in southwestern Liberia where the extent and quality of iron ore deposits in the Putu Range are being investigated.

Although, as noted above, the United States faces keen trade competition from Eastern and Western Europe as well as from the Far East, there is a market for a wide range of American products in Liberia. In addition to the products already mentioned, there are increasing opportunities for the sale of American air conditioning and refrigeration equipment and appliances, pharmaceutical products, perfumes, cosmetics, polishes, cotton blankets, carpets, clothing and food products.

With its economy expanding gradually but steadily, Liberia will continue to offer new opportunities for the sale of American products.

Ethiopia seen entering a period of moderate economic growth; U.S. trade opportunities are limited

Investments in agro-industries offer best short-term prospects; commercial agriculture, mineral searches will require machinery

The effects of the 1967 Suez Canal closure on the Ethiopian economy have receded and internal influences are again the significant factors. These latter indicate that the economy is entering a plateau period in which growth will be modest. This period could last into the early 1970's.

While major new trade opportunities for Americans are not foreseeable in the immediate future, there are many investment opportunities to be explored in agriculture or agriculture-related industries. A survey recently made by the Stanford Research Institute analyzed the agro-industrial potential of Ethiopia in some detail.

Investments which demonstrably contribute to Ethiopia's development, projects which make maximum use of local resources, including human resources, and ventures in which technical and managerial know-how are quickly imparted to local employees, are preferable. An investor would be wise to favor projects which do not rely heavily on governmental protection for their profitability.

As commercial agriculture grows and as more is known about the mineral resources of the country, there will be a need for capital equipment of many kinds. It is probable that agricultural and irrigation equipment will occupy a position of importance among Ethiopia's imports for many years. If commercial deposits of minerals are found, there will be a demand not only for mining machinery, but also for construction and roadbuilding machinery. The potash deposits, for example, cannot be marketed until a port and access road have been built.

Foreign support for the building of infrastructure continues. A World Bank-Swedish loan of $27 million will be spent on highway building and improvement. A prospective $9 million World Bank-Swedish loan for telecommunications development over the next five years will create sales opportunities for electronic equipment, especially microwave repeaters and supporting items, such as generators and maintenance equipment. Since most of the repeaters will be installed in remote locations, difficult of access, equipment requiring minimal maintenance will be particularly desired.

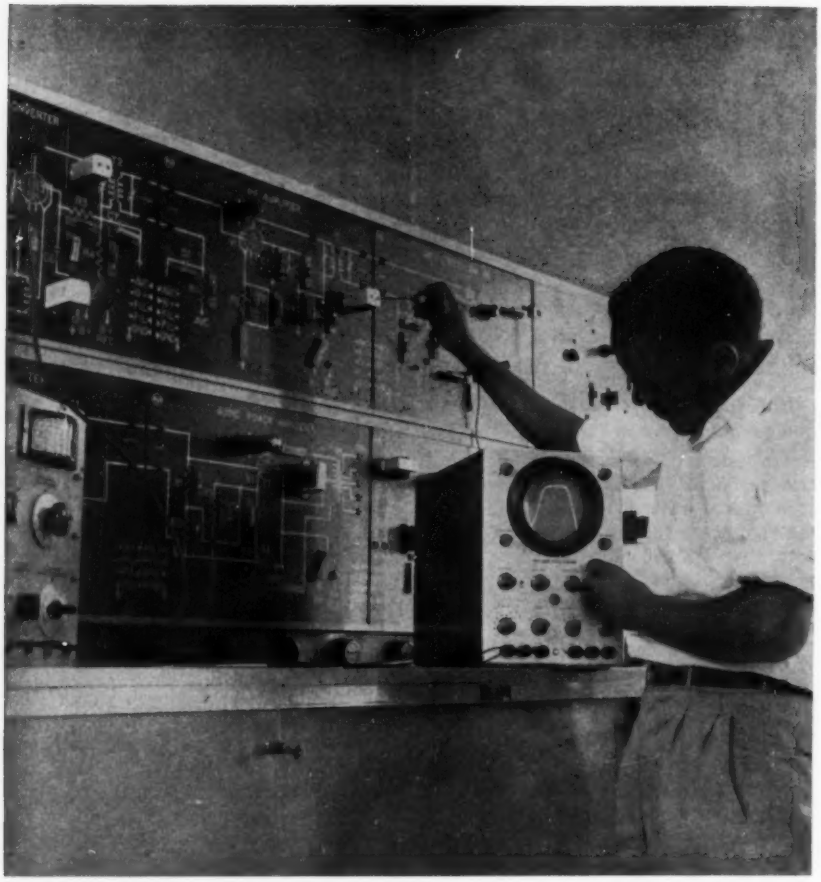
With the imminent establishment of a strawboard/paperboard plant and the prospective establishment of a glass container factory, it may prove profitable to establish local packing facilities for foods, beverages, and medicinal preparations imported in bulk or concentrated form.

Although consumer goods are subject to ever higher duties, demand is still strong.

Tariffs were raised again in February in order to produce more revenue from luxury goods imports and to give further

Ethiopia contacts

For more detailed information on investment opportunities and climate in Ethiopia, businessmen are invited to contact: 1) the Director, Africa Division, Bureau of International Commerce, Department of Commerce, Washington, D.C. 20230; 2) the Director, African Bureau, Office of Private Enterprise, Agency for International Development, Washington, D.C. 20523; 3) the Economic Counselor-Director, USAID Mission, American Embassy, APO New York, N.Y. 09319; or 4) the General Manager, Ethiopian Investment Corp. Share Co., P.O. Box 2004, Addis Ababa, Ethiopia.



PROSPECTIVE LOAN from World Bank and Sweden should lead to sales of varied telecommunications equipment. Here, technician checks equipment bought with earlier World Bank loan.

protection to certain local industries.

As the cities and towns continue to attract the underemployed from the countryside, there will be some expansion in the commerce, services, manufacturing, construction, and employment which tends to be generated by foreign residents and the 10% urban population transacting with each other.

Limited buying power

The low purchasing power of the new arrivals limits business growth, however. The country's restricted land communications and the fact that 85% of Ethiopia's population is merely subsisting still have their effect on economic growth. The limited purchasing power also means that existing manufacturing capacity is underutilized, and it is becoming harder to find viable new industrial ventures.

Meanwhile, the Government is reaching the limit of its ability to raise new revenues from its own enterprises and from the 15% of the population living in the monetized sector of the economy; these sources already provide over 90% of the Government's income. Efforts are under way to improve tax collection, but results are likely to be slow in coming. Self-financed expenditures on infrastructure and other development needs, therefore, cannot be easily increased.

Foreign aid has been critical for development. Drawdowns are currently about $35 million a year. At the end of 1968 there was over $100 million in undisbursed aid from free-world sources, but the rate at which this amount is utilized depends partly on the Government's ability to support foreign aid projects from its own revenues.

Ethiopia's export performance is likewise improving only slowly, and this development will reinforce the above trends. On the one hand, coffee exports are rising satisfactorily despite lower prices, bad weather last year in the growing areas, and uncontrollable foreign events (such as the U.S. East Coast and Gulf ports dock strike). There has also appeared within the past year the country's first industrial product export of any consequence—cement produced by the Massawa plant.

On the other hand, performance has not been as good with respect to the country's other agricultural exports (hides, skins, oilseeds, pulses). They have little ability at present to add to export earnings. Quality control could help expand exports, as it has done for the coffee trade, and the first steps to raise export quality are now being taken for livestock and meat products, and grains.

Major additions to export earnings cannot be expected before the early 1970's, however, when potash shipments from Eritrea Province should begin. Other prospecting for crude oil and minerals continues and may disclose exploitable deposits before then.

With only a modest export growth foreseeable, the external debt service ratio approaching 18% and still growing, and domestic business activity limited, imports are likely to slow down. Commerce and business generally will be further curtailed as a result, and government revenues will also suffer. Steps may also have to be taken to conserve foreign exchange through additional import controls. The institution in April 1968 of a prior deposit requirement of 150/100% on imports and the subsequent lowering of this requirement to 100% in November and then again to 25% in February illustrates the competing governmental aims of conserving foreign exchange and maximizing domestic revenues.

The slight growth in domestic commerce and manufacturing, in government revenues, and in export earnings, has put the commercial banks under heavy pressure for working capital loans, which they do not appear to be advancing in amounts satisfactory to Ethiopia's businessmen.

Business climate in flux

In November the Government put forward legislation to regulate the insurance industry and in February it issued price control regulations affecting importers of pharmaceuticals, motor vehicles and their spare parts, as well as local manufacturers of sugar, galvanized sheets, and jute bags. The companies concerned, aided by the vigorous leadership of the Chamber of Commerce, have delayed the enactment of the proposed legislation and the operation of the issued regulations.

In February the Ministry of Commerce and Industry became the Ministry of Commerce, Industry and Tourism, and there was a change in ministers.

Zambia holds promise

Policy of curtailing trade with southern Africa could benefit U.S. suppliers

The Zambian economy, buoyed by high copper prices and a high rate of investment, is continuing to grow rapidly, according to the annual Economic Trends Report from the U.S. Embassy in Lusaka. In order to combat increasing inflation, as well as a potential foreign exchange proble if, as expected, copper prices eventually fall, the Government has reduced both capital and recurrent spending, increased duties on consumer goods, and expanded personal income tax coverage.

In the first eight months of 1968 imports from the United States increased by a lower rate than total imports. Imports of construction machinery, in which the United States has a major market share, may be reduced during the next two or three years because of Government cuts in spending on public works projects and reduced purchases by construction firms due to restrictions on local borrowing. Nevertheless, American preeminence in heavy duty construction equipment and the gradually expanding local sales representation of American firms in this product line should provide a basis for good long-run sales prospects.

Increasing mechanization by the copper companies and plans to continue gradual expansion of production provide favorable sales prospects for heavy mining equipment, another important market for American exports. The excellent performance of General Electric's diesel locomotives for Zambia Railways could lead to additional sales.

Car sales depend on change

Prospects for sales of American automobiles depend on the effect on demand of two offsetting changes in the duty rate structure. Discriminatory duties on automobiles with large engine capacities were rescinded on Feb. 1, but at the same time steeply progressive duty rates on cars with an f.o.b. value of over $1,120 were imposed.

The Government's extension on Apr. 1 of the list of imports which are prohibited from entering the country from the South may open opportunities for increased American sales in certain fields. Such opportunities appear limited, however.

South Africa, although it is the leading exporter to Zambia, is not competitive in most product categories in which the United States has a large market share, and most of those product categories are not affected by the new prohibitions.

President Kaunda has reiterated that foreign investors and foreign businessmen are welcome in Zambia. He also announced that the Government intends to enact legislation safeguarding foreign investors. A major statement on Government policy toward foreign investment is expected in June.

In 1966 the Governments of Zambia and the United States concluded an investment guaranty agreement. There are presently at least 34 U.S. firms with interests in Zambia. Participation by the Industrial Development Corporation is one means of assuring Governmental favor for investment projects contributing to Zambia's economic development.

Zambia's economic growth during the country's four and one-half years of independence has been rapid. The rate of growth dropped off somewhat in 1967, in part because of a decline in copper prices from the high levels of 1966. In 1968, however, copper exports increased by 7% in tonnage and 13% in sales value over the previous year, and copper prices have risen by another 20% thus far this year. In 1968 copper accounted for 95% of Zambia's exports, 44% of net domestic products, and 60% of Government revenue. Zambia remains the world's third largest copper producer.

The impact of high copper earnings manifested itself throughout Zambia's cash economy. Although the rise in real per capita income in 1967 is estimated at 8%, total wage and salary payments rose by 26% and average earnings of African industrial employees shot up 39%. Private consumption increased by 25% in monetary terms in 1967, the most recent year for which statistics are available.

Manufacturing production, consisting mainly of import-substituting consumer goods and building materials, rose by an estimated 27% in real terms in 1967 and by 9% over the 1967 level in the first nine months of 1968. The most notable increases were in building materials, reflecting both the high level of construction activity and Zambia's growing self-sufficiency in these products, and in beverages and tobacco, reflecting mainly increased beer production.

Gross domestic investment has increased steadily since independence and in 1967 was a whopping $390 million, or one-third of gross national product. Private enterprise accounts for about 60% of investment, but the public share has risen gradually since independence.

The Zambian economy is being subjected to growing inflationary pressures. The Combined Consumer Price Index rose by 5% in 1967 and 10% last year. These figures are believed by some observers to underestimate the actual degree of inflation. The principal contributing factors on the demand side appear to be the large increase in disposable income, the growth in both money supply and, until recent months, in provision of bank credit, and the high rate of fixed capital formation, particularly in the public sector.

On the supply side the leading causes appear to be the chronic inelasticities resulting from lengthy and inefficient transport routes and reluctance of dealers to invest in large stocks, oligopoly in the construction field, severe shortage of skilled labor, mounting labor costs, and the Government's determination to reduce dependence on Rhodesian and South African sources of supply, which are often by far the most economical.

High production costs

In recent years Zambia has become one of the highest-cost producers of copper in the world because of large wage increases, high transport costs for copper exports and imports of capital goods, and other factors. Whether the Government continues to base the greater part of its taxation of the industry on sales prices or changes to a system based on profits, as the copper companies advocate, a drastic decline in Governmental revenues will occur if the long-expected decline in world copper prices takes place.

Zambia's foreign exchange position has become precarious because of the increase in imports of capital and consumer goods in the four and one-half years since independence. This increase reflects a booming economy with massive capital expenditures and high propensities to import. Nevertheless, reserves remained equivalent to about five months' imports. Although Zambia's foreign exchange position is comfortable at present, it is vulnerable to an eventual fall in copper prices.

The unprecedentedly tight 1969 budg-

New tariff structure

The Zambian Government has enacted a drastically revised and simplified tariff structure which sharply increases duties on many consumer goods. There are now three basic duty rates for consumer imports; 15% for non-essential goods widely used in the lower income group, 30% as the standard rate for non-essential consumer goods, and 50% for luxury goods whose purchases are concentrated in the higher income group. The Government has also increased excise taxes on beer, liquor, and cigarettes.

The increases in import and excise duties are aimed at absorbing expenditure and at reducing foreign exchange outflow.

et reflects the Government's determination to deal with inflation and the prospective foreign exchange problem before they get out of hand. The budget projects a surplus of $29.4 million, but a much larger surplus is likely owing to the further increase in world copper prices since the budget was drawn up. Very few new capital projects are to be initiated this year. The 1970 budget is also expected to be stringent.

The extent to which the Bank of Zambia will complement the Government's fiscal measures with steps to curtail the enormous rate of growth in money supply in recent years is not yet clear.

Despite the attainment of political independence Zambian commerce and industry had remained almost entirely in the hands of Asians and Europeans until 1968. Many businesses were grossly under-capitalized, relying on local borrowing while expatriating large profits. Most expatriate firms were reluctant to take on Zambians in responsible positions (in part because of the severe shortage of suitable candidates), and Zambian businesses had hardly begun to exist.

Sweeping reforms aimed at remedying this situation were announced by President Kaunda on Apr. 19, 1968 at Mulungushi. They included:

(a) acquisition by the Government-owned Industrial Development Corporation (INDECO) of a 51% interest in 25 companies involved in building materials, newspaper publishing, brewing, fishing, transport, timber, and wholesaling;

(b) limitation on remission of dividends by foreign companies, including the two large mining groups, to the lesser of 30% of equity capital or 50% of profits;

(c) limitations on granting of trading licenses to non-Zambians; and

(d) restrictions on local borrowing by expatriate enterprises.

These measures convey the impression that expatriate and foreign businesses are controlled by the Government in order to ensure that they contribute directly to the country's economic growth and do not constitute a barrier to the development of Zambian business enterprises. They were also intended to improve Zambia's balance of payments position.

The group most severely affected by the Mulungushi reforms is the eight hundred or so Asian general traders outside the central business areas of the ten largest cities and towns, all of whom were forced to close their shops at the end of 1968, except for the few who have been able to acquire Zambian citizenship. Prospects for selling their businesses at a reasonable price are dim, since Zambians who do come forward with offers generally lack savings or access to credit.

The Government continues to devote a large share of its capital resources to overcoming Zambia's serious transportation deficiencies, many of which stem from the Rhodesian regime's unilateral declaration of independence in 1965. In September the 1,058-mile petroleum products pipeline from Dar es Salaam was opened, putting an end to gasoline rationing and greatly reducing the expensive necessity of transporting petroleum products by road from Dar es Salaam. Paving of the Great North Road to the Tanzanian border will be completed shortly, and by 1970 the Great East Road to Malawi will be completely paved except for the Luangwa-Nyimba section, for which the World Bank will finance the engineering costs.

Work is under way on the road from Lusaka to Mongu, capital of Barotse Province. Mainland China will finance the engineering and provide technical personnel for the Mumbwa-Mankoya portion. This year the Chinese will complete survey work for the proposed Tanzania-Zambia railroad, a project to which the Zambians attach particular importance. Another important railroad development is the announcement on April 10 that the Benguela Railroad will construct the Cubal Variant in Angola. This will increase capacity to handle Zambian copper exports as well as general imports.

The Government's continuing determination to reduce trade with Rhodesia and South Africa is reflected in the drop in the value of Rhodesian imports from $99 million in 1965 to $20 million in the first nine months of 1968. One consequence was that imports from South Africa increased greatly during the same period. On Apr. 1, however, the Zambian Government substantially extended its list of imports which are prohibited from entering the country from the South.

The Government and copper companies have succeeded in recent months in rationalizing copper export routing. The close of Zambia Air Cargoes on Mar. 31 ended the air transport of copper to Dar es Salaam. Zambia Air Cargoes' closure, on the other hand, will force importers of certain commodities to rely on expensive air transport from Europe or on road haulage via the Great North Road, which is still plagued with breakage, heavy insurance costs, and delays.

Although over 80% of the population derive their livelihood from the land, agricultural production constitutes less than 10% of gross national product. Zambia is not self-sufficient in most agricultural staples. Furthermore, the disparity in attractiveness between rural and urban life is causing a drift, particularly of the younger educated and semi-educated, to urban areas, where unemployment is increasing. To combat this situation the Government is devoting greater attention and an increasing proportion of its budget to rural development.

The major problem in the area of industrial relations is lack of worker discipline. Since independence the Government has maintained a public campaign against wildcat strikes and labor attitudes not conducive to increasing productivity. Despite repeated public squabbles among the leaders of the Zambia Congress of Trade Unions (ZCTU) and its affiliate unions, labor leadership generally supports the Government and the United National Independence Party. However, the unions' control over their members is tenuous.

Uncertainties persist

The uncertainty and tensions which the Mulungushi reforms created in the private sector were heightened in the following months by the slowness of the Government to specify how they would be implemented. Gradually, however, non-Zambian businessmen have adjusted to the situation. Many firms are increasing their capitalization in order to raise the ceiling on profits which they may expatriate and to increase their eligibility to obtain credit locally. Nevertheless, a residue of doubt remains about the long-term role of the local expatriate businessman.

Drought slowed S. African growth in 1968, but non-agricultural areas of the economy remain strong

U.S. share of import market was hurt by recent dock strike; strong consumer demand is areas where U.S. is competitive

South Africa's real growth rate fell to 3.6% in 1968 compared with about 6% in 1967 but this was due almost entirely to drought conditions in agriculture. The real growth rate in all other sectors was about 6%.

Growth in 1969 will probably continue to be inhibited somewhat by anti-inflationary measures and policies in effect for some time, according to the semi-annual Economic Trends Report from the U.S. Embassy in Pretoria. The Minister of Finance indicated in his March Budget speech that he was reluctant to ease these further in view of balance of payments uncertainties.

The Government relaxed import controls somewhat in 1968. For the immediate future, the prospect, in light of the budget speech, is for existing controls at about the same level. In general, however, importers appear to experience little difficulty in obtaining licenses. While capital goods imports valued at over $1,400 require specific approval, this does not appear to be a significant obstacle.

South Africa is a dynamic and growing market. The trend is for continued expansion of total imports, the extent in the coming months depending in part on gold marketing experience but still strongly influenced by the momentum of growth and the fundamental government policy aimed at achieving a satisfactory rate of growth.

Changing pattern

Over recent years, local industry has taken over more and more of the finished product market with consequent increases in semi-finished and raw material components in the import pattern. This in turn is closely related to the foreign investment pattern, wherein new investments or expansions of old operations are being announced very nearly daily. Since foreign investment and licensing, especially in industry, tend to orient materials supply to the investors' sources, these developments have a profound and enduring effect on the relative roles of various country suppliers in the import picture.

South African policy has long been to welcome investment. Details are worked out on a case by case basis. Somewhat more effort to channel investment according to local planning is in prospect.

A good deal of South Africa's growth, especially of heavy industry, has a government role manifested not only in tariff protection for industry but also in quasi-government agencies such as IDC (Industrial Development Corp.), ISCOR (iron and steel), ESCOM (electric power supply), and SASOL (petroleum industry). Additionally, there is a continuing major infrastructure program for which provision has been made in the new budget.

Basic current government financed capital expansion programs include telecommunications, electricity generation and transmission (to connect a national power grid), ports and harbors expansion, ISCOR's iron and steel expansion program, and SASOL's refining and petrochemical processing program. Major specific projects in initial phases which offer important trade opportunities include:

- ► The Richards Bay scheme for building a seaport, oil terminal, and aluminum smelter, plus housing and infrastructure;
- ► Durban and Cape Town harbor improvement programs, to handle post Suez shipping and container traffic;
- ► Oil exploration and drilling and oil transportation and refining;
- ► ISCOR expansion of present iron and steel facilities and eventual construction of a third steel mill, possibly at Richards Bay;
- ► Orange River project, now well underway, to culminate in 20 hydroelectric power stations and irrigation of 750,000 acres, and
- ► ESCOM expansion of electric generating capacity by 1,800 megawatts in 1970-71 and extension of 400 kilovolt transmission lines by 1,200 miles.

These and other programs have requirements for industrial raw materials and finished goods such as construction equipment; including road building machinery and vehicles, materials handling machines, electrical measuring and control equipment, transport equipment, and mining machinery (both open face and deep mining). Growth of demand for office machinery and computers is anticipated.

Consumer market promising

The continuing strong consumer demand suggests a growing market for a greater variety of durable and non-durable consumer goods of a kind in which U.S. industry excels and is competitive. Specific products, which were noted in more detail in an Apr. 7 INTERNATIONAL COMMERCE article on trade trends in South Africa include domestic electrical appliances, air conditioning, radio-hi fi, and sporting goods.

Competition for the South African import market in all categories of goods—capital and consumer—promises, if anything, to become more intense.

A number of trade missions, both single industry and general, have visited South Africa in recent months. Many major supplying countries were represented at the 1969 Rand Easter Show, as well as at the numerous specialized industrial exhibitions, with order-taking trade booths much in evidence.

Major suppliers such as Britain, West Germany and France have increased their investment links, which in turn help support exports to industry in the country. West Germany, Japan, France and Italy —among major trading partners—increased their share of the import market in 1968 over 1967.

The U.K. share—the highest at about

U.S. import share

The United States has been holding about 17% share of South Africa's $2.7 billion dollar import market. This was obviously hurt by the recent shipping strike. How much will be made up by arrival of pent-up shipments and how many orders were lost by the stoppage is problematic at this stage.

However, U.S. trade continues to benefit from big increments in sales of civil aircraft and in major capital equipment as well as semi-finished goods, particularly for U.S. firms and licensees long established locally. In terms of its total trade, the United States is only moderately active in the finished consumer goods market.

25% of the market—declined somewhat in 1968.

Price and delivery are, of course, competitive factors but quality is a major consideration. Supplier credit terms have a particular bearing in private sector trade, given the continuing restraints on credit locally.

Basically, the South African economy continues to display the vigor and momentum which has raised the GDP from $10 billion in 1964 to nearly $14.5 billion in 1968. Private fixed investment which had lagged somewhat in 1968 appears to be reviving.

The government budget anticipates increased spending, including capital items. Inventories are down and unfilled orders are high. The atmosphere is bullish. There is an abundance of local capital and foreign long-term investment interest continues. Barring unforeseen developments, and despite the aftermath of a bad growing season and some uncertainties in the balance of payments picture, the firm growth trend should continue.

Consumer demand strong

Personal consumption grew at a near record 10% rate in 1968, and demand in the first quarter of 1969 was well sustained. Part of a relative wave of consumer buying in the first part of 1969 was attributable to anticipation of a new sales tax which was formally announced on Mar. 26. Nevertheless, as an illustration of basically strong consumer demand, first quarter car sales were 43,061 against 34,674 the first three months of last year.

Consumer prices rose 2.7% in 1968, food increases being a major factor. Wholesale prices were up 2.1%, but the rate of increase had doubled in the second half year. The year's increases were, however, lower than in the three previous years, reflecting, no doubt, the impact of government anti-inflationary measures. Further increases are expected in 1969, both as a result of the sales tax and persistent inflationary factors growing out of the bullish atmosphere.

Also, the shortage of skilled labor is a growing complaint. Registered unemployment is down and wages are edging up.

The money supply increased by about 21% in 1968 even though government financing exercised a net deflationary effect. The Reserve Bank relaxed credit ceilings somewhat in August and bank credit rose accordingly. The other factor of increase in the money supply was the increase in gold and foreign exchange reserves, made possible largely by the large net foreign capital inflow. The increase in reserves was mainly in the form of newly mined gold.

New taxes

The new sales tax, ranging from 5% on cars to 20% on a wide range of consumer goods might be expected to dampen subsequent demand somewhat, but this will be offset to a degree at least by substantial income tax relief, especially to middle and upper income groups. Business tax increases announced at the same time were moderate, and a previously discussed capital gains tax was not imposed by South Africa.

Much of the excess liquidity has been concentrated in the financial sector—speculation in land and shares—however, and has not exerted a corresponding pressure on goods and services and thus on prices.

Non-gold mining production was up over 10% in 1968; and further expansion is in prospect for 1969. A new platinum mine will begin production before the end of the year. Copper production may increase by up to 5%. Ferro alloys are expected to be up generally. Iron ore and asbestos potential is considerable, depending on marketing developments.

Manufacturing production, after leveling off in mid-1967, has since been growing at an increasing rate. Non-durable goods production was up 4.6% in 1968. Although local durable goods production was up only 1.4% in 1968, consumption of durable consumer goods—including imports, of course—was up 15% in the year. The value of unfulfilled orders in early 1969 indicates a strong showing in coming months.

Agriculture, on the other hand, suffered a relatively severe drought in the growing season now ending, with major losses in corn and sugar output, which will depress export earnings significantly in 1969. Some other major categories of production such as fruit and wool do not appear to have been hurt, however, and will help sustain export performance. Limited corn imports and increases in a few other agricultural imports may also result from the reduced production.

The 1969 prospect is for decreased overall exports with demand for imports at least as high as 1968 and probably higher. There is a major continuing gap in service payments over receipts. In 1968 an exceptional net inflow of foreign capital made the goods and services deficit easily manageable despite reduced sales of gold following the introduction of the two-tier system. Including net gold production, a substantial surplus and addition to gold and foreign exchange reserves resulted in 1968.

Preliminary trade figures for first quarter 1969 show a merchandise deficit of about $140 million for the period compared with a shortfall of just over $112 million for the same quarter in 1968. Allowing for the fact that imports were probably reduced in the first quarter as a result of the U.S. shipping strike and the certain drop in agricultural exports throughout the year, a substantially larger deficit on goods and services than in 1968 is anticipated in 1969. The Finance Minister pointed out in his March budget speech that capital inflows such as that in 1968 are uncertain.

In 1969 to date, South Africa has announced only limited sales of gold relative to current production and reserves. Nevertheless, overall results in 1969 to date—including gold sales and capital inflow—have enabled it to maintain the foreign exchange components of its reserves at about the average level of 1968.

The government budget announcement in late March set the scene for the coming months: major changes in the taxation pattern—direct and indirect—with an as yet unknown effect on the market; increased government spending overall, including capital projects which had earlier been delayed; fiscal and borrowing policies calculated to have a deflationary effect on the economy; and continuation of anti-inflation measures particularly while balance of payments uncertainties continue.

Recovery of Nigerian oil industry boosts demand for U.S. goods

First quarter U.S. equipment sales were 30% ahead of figure for 1968

The virtual recovery of Nigerian petroleum production, as well as the major investment and development programs planned for 1969 by the oil companies now active in Nigeria, should provide a growing market for U.S. suppliers of oil production machinery and equipment.

First quarter 1969 production of 48.38 million barrels was a giant 959% increase over the 4.57 million barrels produced during the same period in 1968. In March the average output of 574,478 barrels of

oil per day was only 4,000 barrels below that of the last normal month before the start of the war in 1967. Preliminary figures for April indicate that average daily production reached a new all-time high of 593,656 b.p.d. By the end of the year it is estimated that production will surpass pre-war figures, reaching more than one million b.p.d., thus placing Nigeria among the world's top ten oil producing countries.

The offering of 5,000 square miles of new offshore concessions by the Nigerian Government, expected to take place after mid-year, further brightens the picture for future output. Companies contemplating sending representatives to Lagos in connection with the release of maps and terms of application for the new leases are advised to apply now for visas, as businessmen are currently experiencing minimum delays of six to eight weeks in obtaining visas.

The ten major oil companies operating in Nigeria, seven of whom are American, show growing confidence in the economy. The problems caused by the new Companies Decree have apparently been solved so that U.S. companies can comply with the law by incorporating in Nigeria, and still continue to take advantage of U.S. tax benefits.

Will need imports

The oil companies plan to invest approximately $220 million in their Nigerian operations in 1969. Major components include new explorations, construction of new pipelines and storage tanks, and further repairs to damaged facilities. Considerable new equipment will have to be imported to carry out these plans.

U.S. sales of iron and steel tubes, pipes and fittings for the first quarter of 1969 have already risen 30.5% over the same period in 1968, and prospects are also good for improved sales of construction machinery, steel structures, pumps and drilling equipment.

The Nigerian Government regards materials for the petroleum industry as essential and therefore does not require specific import licenses for these items. In addition, the oil companies finance their imports from future crude exports, so that suppliers do not have to wait several months for foreign exchange to become available, as is the case for most nonessential imports.

With the two major barriers of licensing restrictions and foreign exchange control eliminated, and with the major investments planned by the oil industry, 1969 is a good year for U.S. suppliers to increase their exports of petroleum equipment to Nigeria.

Luxembourg upswing is expected to continue; nation is good base for U.S. firms' European operations

Despite budget restraints, serious fiscal problems remain; nation determined to foster position as European finance center

Luxembourg's economy fared relatively well in 1968 and the outlook for 1969 and 1970 is for improved performance. Luxembourg's businessmen and consumers are in an optimistic mood, according to the annual Economic Trends Report from the U.S. Embassy in Luxembourg.

Real GNP increased by an estimated 4.5% in 1968, as compared with a 2.5% increase in 1967. Industrial production registered better than a 5% increase, with increases in production of steel (+ 8%), non-metallic minerals (+ 17%), and chemicals (+ 6%), offsetting the continued downward trend in textiles, clothing, and timber.

Higher imports from Belgium and Germany led to an accelerated expansion of exports of goods and services. A key factor in this improved performance was increased exports of steel products at improved prices. The long-awaited revival of this all-important industry may serve to put it on a firmer financial footing after a long period of profitless operation.

A key goal of the current government is further diversification of the economy. In pursuit of this goal, Luxembourg has revived its Industrial Development Board, active in the early 1960's in a successful effort to attract new foreign direct investment. The modernization and rationalization of the steel and mining industries, and the exodus of labor from the land, encouraged by longstanding government policy, has underscored the need for more rapid diversification of the economy.

American industry already in Luxembourg (DuPont, Goodyear, Monsanto) is prosperous and expanding. This existing American industry has financed its location and expansion largely from local and European sources. The availability of this type of financing is expected to continue.

Luxembourg is becoming an increasingly active and important European financial center. With the opening this spring of the Bank of America (Luxembourg) SA, and Wells Fargo Bank Luxembourg has 31 banks. At the close of 1967 there were 26 banks.

Reasons for interest

It is essentially Luxembourg's increasingly active role in European capital market operations, a role which assumed increased importance with the initiation of restrictions on direct investment abroad by U.S. corporations, which has been responsible for the new banking interest. Luxembourg's banking system is a sophisticated one, and many of its banks participate in underwriting bond issues and in registering and trading bond issues on the Luxembourg Stock Exchange.

Luxembourg holding companies, generally administered through local banks, receive extremely favorable tax treatment (bond interest can be distributed tax free). Luxembourg holding companies do,

Possibilities for U.S.

The continuing trend toward concentrated farming and the transition from mixed farming to dairy and beef cattle farming should support continued good demand for feed grains. Dairy industry equipment, particularly milk cooling and storage equipment to permit alternate day milk collection, is currently an item of interest in the dairy industry.

The steel industry is planning substantial investment in rationalization and technological improvement over the next five years. The replacement of Thomas converters with oxygen LD-AC converters was started in 1967. The LD-AC plant at Esch/Belval now accounts for over a third of output, compared with only 13% three years ago. The modernization program is expected to continue to move forward in 1969.

however, have to pay a 0.32% capital tax, and a 0.10% stamp duty on the par or subscribed share value at the time of incorporation. In addition, a 0.10% stamp duty is levied on the face value of bonds at the time of issue and the company has to pay a 0.16% registration tax on the value of outstanding shares and bonds.

Such companies have proliferated and have become important to the financial operations of American firms and affiliates, especially in floating new bond issues. Also attracted by the holding company law, an increasing number of mutual fund sales and management companies have formed Luxembourg holding companies for the administration of their European operations.

Luxembourg is vitally interested in preserving and fostering its position as a European financial center and as a European headquarters for private corporate operations. It views this role and its effort to attract new, high-technology foreign industrial investment as its hedge against the future and as its means of diversifying its economy. Parallel to this is its continuing effort to provide a firm base for the various institutions of the European Communities headquartered in the Grand-Duchy.

Luxembourg enjoys the highest per capita GNP and the highest rate of consumption for many consumer products in the Common Market. While the Luxembourg market is a small one, private consumption, normally at a high level, increased sharply during the second half of last year and promises to increase by 2 to 3% in 1969. Automobile registrations rose by 18% in 1968, TV set installations were up by one third and radio installations increased by 22%.

Automation benefits U.S.

The emphasis on automation in the steel industry, and probable expansion of the chemical and rubber industries, and the growth of the banking and financial industries offer opportunities for the sale of American control devices, business machines, and computer equipment.

ARBED, Luxembourg's major steel producer, has a 48% interest in the SIDMAR coastal steel plant of Belgian's Societe Generale. ARBED made this investment in an effort to offset its disadvantage as an inland producer dependent on imported coke and low-quality native iron ore.

In another important step toward diversification ARBED just announced a 50-50 participation with America's Continental Ore Corp. in the establishment of a ferroalloy plant (Continental Alloys, SA) near ARBED's Dommeldange plant. Yet, long range problems remain, for the industry still faces problems of competition from modern coastal producers and from new production and former markets in the developing world.

The other main sources of industrial production have been the chemical and rubber industries. Two large American plants, DuPont and Monsanto, are entering their third full year of production with full order books. An older plant, Goodyear, has undergone continuous growth and has just announced its latest expansion, a $5 million tire mold plant. The economy should begin to feel the full effects of this new investment in 1970-71.

The textile, clothing and footwear industries, formerly dependent on government contracts, have yet to recover from the 1967 abolition of military conscription and the reduction of the nation's army. While the establishment in 1969 of a new, small dress factory was an encouraging development, the downward trend in these largely outmoded and highly competitive industries continues.

Present Luxembourg law affords considerable protection to small business by effectively prohibiting the establishment of foreign chain and department stores. However, the promulgation of the European Communities right of establishment within the six member states poses a serious problem for Luxembourg small business.

Consumer prices continue to rise and show no sign of leveling off. Wages in most industries are tied to the consumer price index. Under this system, wages rose 3.4% in 1968 and are expected to rise by some 3% in 1969. On Mar. 1 the legal minimum wage for industrial workers rose to 32 francs (64 cents) an hour.

While these automatic wage increases have tended to bolster consumer purchasing power, they also keep profit margins down, making amortization, particularly for small business, difficult. The introduction of an 8% value-added tax in January 1970 is expected to raise prices slightly.

Both private and public investment, down sharply in 1967 (official estimates indicate a 16% decline in real terms), showed improvement in 1968.

The forecast for 1969 is for a sharp increase in investment in the iron and steel industry as a result of the new rationalization and modernization program. Investment in the rubber and chemical industries is also expected to accelerate in 1969. A government medium-term economic plan, fixing general priorities for public spending, will be drawn up and revised annually.

Construction, which also experienced a bad year in 1967, improved slightly in 1968 with a spurt of new office building construction. This trend will continue in 1969, but building activity continues to decline, although at a slower pace.

Luxembourg's 1969 budget seems likely to provide a much smaller stimulus to economic activity than that of the previous year. The fiscal incentives to business investment will remain, but no further tax relief is foreseen and government investment and capital transfer payments will be maintained at approximately the 1968 level.

In a move to ease a fiscal situation which has become a matter of concern to fiscal planners and the commercial community, the Government adopted a more restrictive budget policy in 1969.

Despite this movement toward increased fiscal realism, serious problems remain. Interest rates are high and the Government has been forced to pay ever-increasing rates for locally raised money.

Steel workers signed a two-year contract in January 1968. The contract called for progress toward a 40-hour-week, to be attained by 1972 and continued to tie wages to the consumer price index. Union and Socialist Party proposals for a "co-determination" law establishing the right of workers participation in industrial management, have been granted limited endorsement by the new Government.

The latest thinking envisions mixed labor-management committees for the steel industry, Government-owned enterprises and government-licensed enterprises. The present Luxembourg Government is not considering applying co-determination to private firms other than the steel industry.

Investors wanted

Luxembourg's Minister of National Economy, Marcel Mart, led an investment promotion mission to the United States in April. Efforts to attract new German and British investment are also underway.

The government is currently encouraging foreign investors to locate in Luxembourg's industrial south in an effort to provide job alternatives in the steel and mining area. Luxembourg's stable, productive and trainable labor force, its increasing importance as a European financial center, and its people's receptivity to Americans combine, with the fiscal incentives offered, to make it an attractive industrial base for industry interested in the Benelux and European Communities markets.

Exports pace Malaysia

Per capita GNP is second best in Southeast Asia; U.S. goods in high repute

Malaysia's economy continues to make substantial progress, according to the semi-annual Economic Trends Report from the U.S. Embassy in Kuala Lumpur.

Malaysia's gross national product on a per capita basis is the highest in Southeast Asia except for Singapore. Total output was valued at $3.33 billion in 1968 (for a population of approximately ten million), an increase of 5% over the previous year.

Principal dynamic elements in the economic picture are foreign trade and public investment: exports valued at $1.463 billion were 44% of the 1968 GNP, and government expenditure at $828 million was 25% of GNP. There are indications that private investment is now advancing at a higher rate; moreover, investment by state and federal authorities in 1969 is projected to exceed the 1968 figure by $49 million, or 18%.

The short run economic outlook is thus for a continuation of the economy's current strengths and some acceleration in the growth of output valued at current prices. These developments are taking place against a background of stable domestic prices. The principal problems taking shape are a shortage of employment opportunities and unavailability of public investment funds.

Development Plan projects using machinery and equipment, particularly in transportation, earth-moving, and agricultural lines, should generate good sales prospects. Tractors, cultivators, and harvesting and drying equipment suited to rice culture will be essential in the campaign to spread the practice of double-cropping.

Openings for services

Opportunities also exist for furnishing technical services, economic surveys, educational materials and devices, and agricultural studies. However, U.S. civil engineers have found few prospects for their services owing to the country's close ties with Commonwealth engineering institutes and consequent preferential Commonwealth treatment.

Current regional projects in transport and communications will generate opportunities for feasibility studies and possibly future construction in Malaysia and neighboring countries. Submission of an American consultant's transport survey has loosened the reins on transport projects and placed highway construction in the foreground.

A stringent international tendering procedure is generally invoked in government purchases, and an important part of the package is credit. Official British, West German, and Japanese credit is available for indirect as well as direct foreign exchange costs; this tends to place American bidders at a disadvantage in relying on the Eximbank, which can finance only direct U.S. dollar costs.

Restraints on U.S. foreign investment administered by the Department of Commerce Foreign Direct Investment Controls program are not intended to affect significantly the capital flow to Malaysia, a 'Schedule A' country. The market economy of Malaysia with its freedom from exchange controls, highly stable monetary system, investment tax incentives, services to investors, and abundant labor supply, offers many attractions to the prospective direct investor.

Although the Government enforces a policy of Malayanization, new American investors have reported no difficulty in obtaining permission to employ foreigners in positions for which no qualified local citizen can be found. Indeed the Government shows almost more interest in the management and technical contribution of American personnel than in the funds an investor brings in.

Normally local equity participation of about 50% is sought, and Malaysia insists that the foreign participation be in the form of cash rather than, for example, patents of a certain value. Prospective investors should be prepared for hard bargaining with authorities who seek to ensure a fair return to Malaysia, and for the necessity of dealing with a number of separate authorities on a piece of complex business.

Most-wanted investments

The Malaysian planning authorities regard tourist hotels and facilities, wood products manufacture, and processing of rubber and palm products as good candidates for foreign participation. Mining and oil exploration continue to attract attention from foreign investors. Federal initiatives have apparently made progress toward fuller state government cooperation with foreign firms interested in opening new land to agriculture and mining.

The conditions of world commodity trade are of keen interest to Malaysia, where large-scale employment hopes are still largely centered on plantation crops, and mining provides an important part of export earnings. The termination of surplus rubber sales from the U.S. strategic stockpile in March eliminated with one stroke the most serious long-term irritant in Malaysia-U.S. bilateral relations, and the suspension of tin stockpile sales has been welcomed by Malaysia.

The road ahead is one in which U.S. support will be sought in constructing viable international schemes to stabilize commodity trade, insulating producers from the worst of the short-term ups and downs in demand that so seriously affect their operations.

The appreciation of rubber prices since February 1968 has been due in no small part to increased purchases by Communist China, the USSR, and Eastern Europe.

Through a large newly-established diplomatic mission, the USSR has been vigorously promoting increased cultural and educational ties along with sales of Russian-made goods to offset her trade deficit with Malaysia. These efforts have produced scarcely any discernible results so far, at least in the trade field.

Malaysia shows some readiness to enter

Good U.S. reputation

Goods of United States manufacture enjoy an excellent reputation in Malaysia and are better known than the rather modest trade statistics would indicate. Some American lines have equal, and perhaps—in the consumer field—even greater appeal than their long-established competitors. Those that are priced attractively or can demonstrate convincing technical superiority enjoy a good market here.

Buyers are heavily influenced by attractive financial terms. Delivery time is also an important factor. Many of the familiar American types of machinery and equipment are supplied at competitive prices and terms by subsidiaries or licensees of American firms operating in Japan, Australia, or the United Kingdom.

into the formalities of trade accords with Eastern European customers, but no disposition toward broader contacts with Mainland China.

Not all sectors of the economy are sharing its fruits equally.

Penang, whose entrepot trade has never recovered to pre-Confrontation levels, is probably the most seriously affected. In Malacca the withdrawal of Commonwealth forces from Terendak Camp will cost 4,000 civilian jobs and about a $500,000 monthly infusion into the local economy, creating a problem similar to that in Penang.

Continuing rural-urban migration is expected to exert pressure on public services, housing, and employment opportunities in West Malaysia's principal cities for many years to come. There exist, moreover, backward rural areas that have never participated actively in the modern economy and remain largely at subsistence level. These problems are growing at a rate related to a population increase estimated at 3% annually.

The Mid-Term Review of the First Malaysia Plan (FMP) (1966-70), a study unveiled before Parliament in February, highlighted the fact that economic expansion had apparently failed to bring the nation's unemployment problem under control.

Therefore, development strategy has been reshaped to bring together Malaysia's two most abundant resources, land and labor. The objectives are to provide 30,000 new jobs annually in agriculture, forestry, and fisheries, and to raise agricultural incomes and productivity, which have lagged behind those in other areas of the economy.

The Federal Land Development Authority is expected to approach its present administrative capacity in opening about 40,000 acres of new land a year through 1973, with an acceleration thereafter. An additional 80,000 acres a year need to be opened by state land schemes and private interests in order to meet the employment target.

Private interests wanted

Recognizing that the present capacity of state authorities falls far short of this target, federal authorities are now actively seeking a renewal of large-scale private investment in agriculture. The Deputy Prime Minister has declared that private interests will share in the development of a 2.4-million-acre tract of promising new land in Pahang. This project, called Pahang Tenggara, is now under detailed feasibility survey by a Canadian firm.

The effort to increase agricultural productivity is reflected in significantly increased five-year allocations in the Mid-Term Review for smallholder rubber replanting schemes; drainage, irrigation, and extension service principally aimed toward the introduction of double cropping among low-income rice farmers; agricultural research; rural credit; and agricultural marketing schemes.

The new Malaysian Agricultural Research and Development Institute, formally established in February, has as its mission to develop new crops suited to local conditions, thus relieving the vulnerability to price declines in existing export crops. The training of agricultural experts and technicians has been markedly increased and further growth is programmed to take place as soon as sufficient instructors and facilities can be prepared.

The contract to prepare a master plan for Penang's economic development was awarded to Robert Nathan Associates. The Government is committed to a feasibility study of an East-West Highway linking Penang with the now remote and underdeveloped state of Kelantan on the opposite side of the peninsula. State authorities are taking the lead in promoting the area development of Malacca. Their thinking presently focuses on the possibility of enlarging a small port there and attracting industry by providing better infrastructure, particularly an improvement in the water supply.

Rubber still dominant

Rubber accounted for 32.8% of gross export receipts in 1968 and for 13.3% of GNP. Pronounced price fluctuations in the international rubber market over the past two years have therefore had the predictable effect on national export earnings, incomes, tax receipts, and business expectations.

The marked recovery of rubber prices from their historic low in the latter part of 1967 and early 1968 has almost magically dispelled an atmosphere of pessimism in business and government. It has not, however, slackened the pace of programs in the rubber industry to cut production costs and improve quality and marketing practices.

These measures are seen as necessary if Malaysian natural rubber is to compete successfully and profitably with other natural and synthetic rubber at the lower prices believed to lie ahead.

Gross exports in 1968 exceeded their 1967 level by 10.5%. Rubber, the largest one, lagged behind the average with 6.1% growth, but if prices are sustained near their current level the expected increase in output would mean much higher earnings in 1969. The price of tin, Malaysia's No. 2 export earner, is being upheld by the

MALAYSIA OFFERS MANY ATTRACTIONS to prospective investors, but U.S. firms should expect hard bargaining. This is the Colgate Palmolive (Far East) factory at Petaling Jaya, an industrial estate.

export restrictions imposed on producing countries by the International Tin Council last September.

Timber and related products are expected to overtake tin as an export earner in 1969; their export earnings growth exceeded 20% in 1968, continuing an established trend. Despite unfavorable price developments affecting some of them, total receipts from other exports expanded by 10.6%.

Public investment in Malaysia's excellent transport, communications, and utilities systems is expected to exceed even that for agricultural development under the Plan. Expenditures on civil aviation and railroads have already exceeded Plan targets; highway construction, railroad development, and port construction are expected to accelerate under the guidance of the just-completed National Transport Survey prepared by a U.S. consulting firm.

Electric generating capacity is nearing the end of a major period of expansion. The telephone system is undergoing needed expansion, and a satellite ground station will be constructed by a Japanese firm this year.

The vigorous program of public investment pursued since independence has brought Malaysia to the threshold of a governmental finance problem. While savings for the economy as a whole closely approach the sums spent on investment ($585 million in savings against $597 million investment in 1968), public investment exceeds savings while the reverse has been true in the private field.

MALAYSIA'S EXCELLENT TRANSPORT SYSTEM is slated for strong public investment support under the First Malaysia Plan. This elevated road speeds traffic through downtown Kuala Lumpur.

Idle savings in the hands of individuals and institutions currently offer the possibility of financing the Government deficit through non-inflationary sales of government securities. A vigorous borrowing program is further justified in the case of Plan projects by the likelihood of self-amortization. It is also necessary because the current budget has, despite a major tax effort in 1967, failed to produce the surpluses on current account that were expected to fatten the development budget. Present restraints on education and defense expenditures, now the largest categories in the budget, are and will be under strong pressure. While some additional taxes may be economically justified, the Government will proceed cautiously lest it undercut the private investment it wants to attract.

Malaysia's experience in utilizing foreign assistance for development has been disappointing so far. Such offers are tied to purchases in the donor country and are project-oriented. Since most development projects have a low foreign-exchange component only a small amount can be financed. These difficulties have prompted initiatives toward borrowing against the nation's excellent credit in the international money market. The current level of world interest rates could retard this program, however.

The existence of surplus funds in banks and other financial institutions may seem surprising in a prosperous country where official policy favors private investment. It is related to traditional attitudes which generally limit the financial scope of a business to family resources. It is for this reason that foreign initiatives are still involved in most large-scale investments.

The banking community is making some effort to educate the public toward borrowing for productive purposes. The Government is encouraging the use of banks in communities where it has never been the custom. It has broadened the rules governing uses of bank funds and backs a growing semiautonomous credit institution (Malaysian Industrial Development Finance) with the aim of making more loan funds available for other than the traditional commercial purposes.

In addition to the idle funds in banks and savings institutions, there seems to be a shortage of equity investment opportunities in relation to the public's willingness to accept them, a situation which has shaped the local share market along speculative and volatile lines.

As a step toward more orderly trading conditions in the share market a Capital Issues Committee, representing various Government and private financial authorities, was established in 1968 to ensure that issues approved for offering on the stock exchange are truthfully represented to the public.

Investment courted

The Government encourages private—including foreign—participation in the economy. The Federal Industrial Development Authority, which has primary responsibility for helping prospective investors find suitable opportunities, local partnerships, and financing, and for smoothing their bureaucratic path, has just been reorganized. Facilities offered the investor include prepared industrial estates, tax relief and tariff protection for pioneer industry, and separate tax incentives for non-pioneer industries which fulfill certain criteria regarding use of local materials, high labor component, and export potential. To the foreign investor Malaysia offers repatriation of profits and capital. Partly because of this commitment, Malaysia often insists that foreign ventures show good prospects of offsetting these payments with export earnings.

OECD says world plastics output will equal steel's in 16 years

Report emphasizes role of large-scale production and major research and development facilities

The volume of world plastics production may be comparable to steel output by 1985, according to forecasts in a recent report of the Organization for Economic Cooperation and Development.

Todays' plastics production is growing at a rate three times faster than that of steel, the report said.

Plastics are the fastest growing branch of the chemical industry and increasing in significance for the industrial future of the larger countries as well as for the medium and smaller nations, the study noted.

Leaders in industry, business and the academic world from 14 countries found scale of production to be the critical growth factor for plastics and noted that U.S. firms lead the trend in size of plants.

As for research, it was reported that efforts in this field are carried out on a large scale and that future emphasis must continue to be on developing new fields of application of current materials.

The findings reflected that no general technological or production gap exists between Europe and the United States in the field of bulk plastics. It is noted that several major countries, including Germany, Italy, Japan, the United Kingdom and the United States, have strong technological and market positions in the field, and also that basic scientific information is circulated rapidly and effectively between the countries.

In the field of innovation of specialized plastics, the United States has the lead, the report said. This is attributed partly to government-sponsored research projects for space and defense programs.

The report also predicted continuing significant changes in major plastic materials. Currently the changes are distributed more or less uniformly among the major plastic-producing countries. However, the report pointed out, important quantitative gaps between national plastics industries may arise in the future.

Examining disparities of an economic character likely to be of future significance, the report noted the differences in profitability between the U.S. and Europe. It is believed this is largely due to the smaller size of the market in Europe, its lower degree of industrialization and less popular demands. Other problem areas cited were tariff barriers, taxation, patent systems and standards governing, for example, sanitary control and transport.

Disparities in profitability arise through certain European labor laws and regulations, through lower American capital costs, and larger differences between raw material prices, selling prices and lower energy costs, the report noted. Americans also practice a more advanced managerial approach, for example, research and development, investment planning and marketing.

The willingness of the consumer to accept new plastic products may have an important impact on the consumption patterns, the report said.

EEC growth rate was not hindered by 1968 monetary crisis

U.S. demand for Community's goods expected to remain strong

The European Communities Commission has reported that last year's monetary crisis and the protective measures taken by some Common Market countries to meet it have not significantly affected overall economic growth in the Community. The Commission also foresees continued demand from the United States for Community exports as it does not expect the U.S. economy to cool off despite measures to slow inflation.

Rather than being slowed by last November's crisis, the Common Market's economic growth was rising at a more vigorous rate at the end of 1968 and in early 1969 than it had in previous months, according to the Commission's economic Survey for the first quarter of 1969. This was largely due to growing internal demand. Gross fixed asset formation, private consumption, and export demand showed particularly rapid expansion.

The Commission noted that another large factor in this growth was that measures taken in the United States and the United Kingdom to dampen inflation have had little effect on demand in these countries and consequently little effect on their imports. Therefore, demand for Community exports in the coming year should not slow down as expected, because the survey concluded that inflation in the United States was not likely to slacken enough to affect Community exports.

Despite the rapid expansion of internal supply in the Community, the faster growth of internal demand has boosted imports. However, as exports have also been rising, there has been no major change in the Community's visible trade position.

Internally, employment has risen, demand for additional labor has increased, and the actual working time per employee has lengthened. The result has been a general decline in unemployment. The survey found that while the trend of wage costs has been comparatively favorable, prices are rising in the Community, largely due to the introduction of the tax on value-added in the Netherlands, an increase in TVA rates in France, and a general rise in food prices.

The Commission foresaw an even greater growth of internal demand than was predicted last year. In 1969, the Commission estimated that the real gross Community product will rise about 6%, and industrial production 9%.

Spain cuts paste duty

The Spanish Ministry of Industry (*State Gazette*, 4/28/69) has authorized the importation of 100,000 metric tons of paper paste (tariff nos. 47.01-B-1-b and 47.01-B-2-b) at a reduced ad valorem duty rate of 3% rather than the regular transitory import duty of 14%. The paper paste must be imported within a six-month period after Apr. 28.

Canada attacks problem of regional disparities in Prince Edward Island plan

Fifteen-year accord between Maritime Province and Central Government provides aid for agriculture, tourist, fishing and forest industries

A 15-year economic development agreement between Prince Edward Island (one of Canada's Atlantic provinces) and the Canadian Federal Government, signed on Mar. 7, provides for a total government investment of C$725 million of which C$525 will come from the federal government in Ottawa.

The plan represents the most ambitious attempt thus far on the part of the Federal Government to solve the problem of regional disparities.

The development plan will provide aid to the Island's agriculture, tourist, fishing and forest industries. The heart of the plan provides for updating and centralizing the province's educational system, a labor training program, steps to improve processing and manufacturing efficiency, and financing for roads, water supply, power, housing and community improvements in health and welfare.

A new provincial department of development will implement the plan which aims at increasing the gross provincial product from the current C$113 million to C$300 million by 1976. Public investment and participation are envisaged as key elements in the plan. The agreement is subject to review in 1972.

Will buy, resell land

Rationalization of land use will be the goal of a land development corporation. The corporation will buy land and resell and lease it to farmers with management ability. Poor farmland will be diverted to other uses. Land value will be appraised and farmers 60 or older can accept a pension in lieu of cash.

A product and market development center will seek means to improve production and distribution of farm and fishery products.

Another agency will be responsible for providing credit to farmers at lower than commercial rates so that farmers may expand or intensify the value of their holdings. There will also be an educational program to train young farmers and provide them with technical and management advice.

The aim of the farm program is to bring up to about 2,500 the number of farms grossing over C$10,000 a year. Now, only 481 out of 6,000 farms gross over C$10,000. Farm income is expected to increase from the current C$37 million a year to C$100 million.

For tourism, the plan envisages five integrated complexes with a total of 6,000 new units. About 750,000 tourists annually are expected in the province by 1976. A government fund will lend money to tourist operators, but 40% private capital will be required for any proposal.

The fishing industry will receive assistance in improving wharfs, bait storage and other facilities at some 20 ports. Training opportunities will be offered to those who wish to leave the fishing industry. A herring reduction plant will be built and public investment will attempt to make fish processing on the island more efficient.

The plan tries to broaden the manufacturing base of Prince Edward Island by establishing industries which are not competitive with others in the Maritimes and by expanding food-processing. It is expected that 6,500 additional industrial jobs will be provided. An industrial park will be set up in Charlottetown and technical and management advice will be provided to raise productivity in existing industries.

The social infrastructure aspects of the plan provide for drastic consolidation of education (370 school districts amalgamated into five), including development of a province-wide upgrading system and teaching of vocational and academic courses in comprehensive high schools, a single university, a college of applied arts and technology, and a scholarship and bursary system. Adult and trades retraining are also planned.

Nicaragua bans chick imports

Nicaragua's Ministry of Economy, Industry and Commerce has prohibited the importation of baby chickens from outside the Central American Common Market into Nicaragua. This measure, effective Apr. 30, is designed to protect Nicaraguan hatcheries and conserve foreign exchange. Shipments which arrived before May 30 were exempted from the prohibition.

Once a year, importation of chickens from outside the Central American Common Market will be authorized in order to replenish stocks. At such time, special permits will be issued by the Ministry of Economy, Industry and Commerce.

Pakistan to allow repeat licensing on some imports

Pakistan has authorized industrial units and commercial importers to obtain repeat licenses under the cash-cum-bonus scheme of up to 100% of import entitlement for a wide range of commodities provided for in the January-June 1969 import policy.

Such licenses will be issued on proof of opening of letters of credit, or of AID's Office of Small Business notices in the case of goods financed under U.S. loans, for 75% of the initial license, and presentation of bonus vouchers.

Commodities eligible for repeat licenses include all items on the licensable list and cash-cum-bonus list (except sheet and plate glass and nail wire), plus 19 iron and steel items, 16 non-ferrous metal items, and certain chemicals appearing on the free list.

The Government has also decided to issue cash-cum-bonus licenses for direct import of pig iron, copper rods and ingots, zinc ingots, and lead ingots—commodities previously reserved for importation by the Trading Corp. of Pakistan (TCP). Repeat orders through the TCP will be allowed for raw rubber, steel strips (excluding strips for the manufacture of razor blades), sulfur, and aluminum.

The deadline for receipt of cash-cum-bonus license forms has been extended from Apr. 30 to June 15 in order to permit importers to apply for entitlements. The new facility will mitigate the high cost to those importers who were resorting to 100% bonus transactions in order to obtain urgent additional imports over initial entitlement.

U.S. licensees sought to produce goods of five Western European companies

Products offered are coolers, beer control device, hospital beds, air-conditioning equipment and electronic weighing systems

Manufacturers in Germany, The Netherlands, Sweden and Switzerland are seeking U.S. licensees to produce and distribute their products for the U.S. markets. Products offered are coolers and freezers, beer control system, hospital beds, air-conditioning equipment and electronic weighing system.

For additional information and the name and address of the firm, write the Office of International Investment, code 874, Bureau of International Commerce, Department of Commerce, Washington, D.C. 20230, referring to the appropriate File number assigned each opportunity listed below.

• A diversified Dutch firm is seeking a U.S. licensee to produce its refrigeration equipment.

The products offered for license are prefab modular types of walk-in coolers and freezers. Economical, mass-produced sections are assembled at the site and may be disassembled for relocation. Assembly of panels is effected by patented cam-action locking arms, which engage over-locking pins, precisely positioned on opposite edges. Each section has a certain number of these special locks formed in place without any connection to the metal skins, thus assuring tight and accurate joints. A simple hand wrench is the only tool required for assembly and disassembly of the panels. **File 1756.**

• A Dutch firm is offering to a U.S. licensee its system which proportions draught beer, and counts the number of glasses dispensed.

This system consists of pushbuttons, which are located on the bar, and a control system which can be installed under the bar or in the manager's office. The amount of foam in the beer glass is regulated automatically, and, according to the manufacturer of the system, a bartender can draw a perfect glass of beer. The system also has mechanism which counts the number of glasses of beer dispensed for cost control, or other purposes. **File 1757.**

• A Swedish manufacturer is seeking a U.S. firm to manufacture and distribute its adjustable bed for hospitals, convalescent homes, hotels and private use.

The user can adjust the bed to many positions with very little effort and without leaving the bed. It is designed for convalescents for reading in bed, watching TV, or for anyone who needs other than a horizontal bed. The Swedish company has a U.S. patent. **File 1758.**

• Two cooperating manufacturers in West Germany are seeking a U.S. company in the air-conditioning equipment field with which they can join to produce and distribute in the U.S. a product that the two firms have successfully launched on the European market.

One company is a specialist in the design of equipment to eliminate mist or drops from moving streams of air or other gases. It has developed a complete line of this spray elimination apparatus for the air-conditioning and chemical industries. The other firm is a manufacturer of corrosion resistant plastic equipment for air conditioning and chemical industry application.

The German firms wish to produce and distribute in the U.S. a complete range of plastic mist eliminators for both vertical and horizontal discharge to be used in air-conditioning equipment and processing equipment for the chemical industries. They wish to locate a U.S. partner having a sales organization actively and well connected with U.S. manufacturers of air-conditioning and ventilation installations, systems and equipment and to the U.S. chemical industries. It is not essential for the U.S. partner to be a manufacturer of plastic products as the mist (drop) eliminators could be produced under contract in the U.S.

The German firms' contribution to the joint undertaking would include rights to the product, manufacturing and technical knowhow and financial participation. Patent rights for the eliminator have already been applied for in the U.S. **File 1759.**

• A Swiss manufacturer is seeking a licensee in the U.S. to produce its line of electronic weighing systems, which can be used in almost every type and phase of materials handling. Associated electronic equipment provides a linkage for computerization of the data collected.

Some of the materials handling phases to which the Swiss weighing systems are applicable are as follows:

Bulk goods and vehicles: For the weighing of bulk goods or trucks, the system consists of a weighing bridge with no moving parts upon which the goods or vehicles are placed. The read out of the weight can take place a great distance from the weighing bridge, if so desired. The systems can also be applied to railroad cars and aircraft.

Bulk goods being moved by cranes: Rather than a crane operator spending time lowering bulk goods to the ground for a weight measurement to be taken, the weighing system offered by the Swiss firm is placed in the crab underneath the idler pully in the carriage, with the reading of the weight being recorded in the cab of the crane or in a recording instrument placed on the ground.

Controlling material flow: The system can be used in recording and controlling the amount of material in tanks, containers, bins, boilers, digesters and ladles, and in proportioning material usage, including accurate automatic blending of a powder material with a liquid. The system can also be

Investment Assistance

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. "P" numbers should be used when writing about specific proposals.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington D.C. 20230 or the nearest Department of Commerce Field Office.

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations administered by the Office of Foreign Direct Investments, U.S. Department of Commerce, Washington, D.C. 20230.

used in controlling material flow of a conveyor belt in the movement of such material as ore, gravel, coal, and chips, by simultaneous measurement of the material weight on one of the idlers in the conveyor and the belt speed.

The firm states the systems are simple to install, and are highly accurate. **File 1583-R.**

Licenses for machinery, materials handling items sought by French producers

Licenses to produce heavy duty materials handling machinery for use in the chemical, cement, paper, wood and other industries are sought by a Bordeaux firm. Of particular interest is newly developed and designed U.S. machinery. The French concern is also interested in the production of equipment with special features which would complement its own line.

Currently, the firm manufactures hoisting and lifting equipment, automatic pallets, industrial boilers and tanks, traveling cranes and conveyors. It is also engaged in the fabrication of metallic constructions, steel frameworks and related structures. It operates a modern plant and employs about 350.

Write: Mr. Yves Bannel, Bordeaux-Sud, 174 Rue Carles-Vernet, 33 Bordeaux, Gironde, France. WTD. **P-69076.**

Licenses to manufacture steel machinery such as tool-joints, drifts and drills, chucks, and hydraulic screw-jacks for the petroleum and other industries are sought by a French company.

The firm operates a well equipped plant covering 2.5 acres. Production facilities include a forge, cutting and cold drawing equipment, gas reheating furnaces, drilling, planing and other machines.

Write: Mr. Louis Graciet, Usines Dehousse, Avenue Gaston-Lacoste, 64-Pau, Basses-Pyrenees. WTD. **P-69598.**

Australian concern wants to broaden activities

An Australian manufacturer of metal traffic signs, school furniture and automotive license plates seeks licenses to produce sheet metal or tubular steel products.

Established in 1928, the concern has approximately 60 employees.

Write: Altona Engineering Co., 460 Scarborough Beach Rd., Osborne Park 6017, Western Australia. WTD. **P-69601.**

AMA briefing to discuss foreign investment controls

Former Under Secretary and General Counsel of the Commerce Department Joseph Bartlett, now a partner in the legal firm Ely, Bartlett, Brown & Proctor, will be the keynote speaker at an American Management Association briefing on Foreign Operations Today Under the Foreign Direct Investment Regulations.

Scheduled for June 16-17 at the Barbizon-Plaza Hotel in New York City, the session will include an introduction to the regulations of the Commerce Department's Office of Foreign Direct Investments, authorization-procedural aspects, borrowing, inadvertent transfers of capital, tax planning, and other topics.

Other speakers include Jerrold Mitchell, staff assistant, and Richard Tavrow, acting chief counsel, both from the Office of Foreign Direct Investments of the Commerce Department.

For further information, **write:** American Management Association, Inc., 135 West 50th St., New York, N.Y. 10020.

Mali seeks investors to develop tourism

The Government of Mali is interested in having an American firm, preferably a large hotel group, develop the tourism potential of the West African country.

A fully coordinated and integrated system providing accommodations, restaurant facilities and a transportation complex to arrange visits to Timbucto and Gao is envisaged.

The Friendship Hotel, expected to be completed in the summer of 1969 in Bamako, could serve as a base for any proposed tourism complex. The luxury hotel will contain 158 double rooms, 28 apartments, a 400 seat conference room, a roof top night club, a restaurant, a motion picture theater, and two swimming pools.

As yet, no arrangements have been made for the operation of the hotel; the Government is anxious to secure a top flight management group to plan for an opening early in 1970.

Write: Dr. Henri Corenthin, Minister of Transport, Telecommunications and Tourism, Government of Mali, Bamako, Mali. **P-69603.**

U.S. licenses sought by British companies

Interested in making drums, machine tools and accessories

Two British industrial firms seek U.S. licenses. One seeks production rights for the manufacture of machine tools and accessories, the other is interested in licenses from U.S. firms exporting from the United Kingdom.

- The North East London toolmakers group consisting of managing directors of approximately 22 British toolmaking firms plans to visit the U.S. in early June.

The group seeks licensing agreements with U.S. firms for the production in the U.K. of plastic molds, die cast molds, jigs, fixtures, press tools, gages and other machine tools and accessories. The group plans to visit several major U.S. cities.

To obtain details on the group's itinerary interested U.S. companies are requested to check page 39 of this issue. **P-69599.**

- A Liverpool firm operating as ship's carpenters, joiners and contractors, export packers and specialists in pallet repairs seeks licenses from American firms exporting from the United Kingdom.

The company manufactures plywood drums in multiple sizes, disposable by burning and reported as suitable for packaging chemicals, grain and seed, fertilizer, dye stuffs, insecticides and weed killers.

Write: S. J. Byrnes & Sons, 35 Worthington St. (Off Stanhope St.), Liverpool L8 5SU, Lancashire, England. WTD. **P-69600.**

Surgical, hospital equipment venture sought by Brazilian

A Brazilian manufacturer seeks licensing agreements or joint ventures with U.S. firms active in the surgical and hospital equipment field.

The firm is presently manufacturing, under license, sterilizers from an American firm.

Write: Manoel Amaral Baumer, superintendent, Baumer QBS-Cia. Brasileira de Equipamentos, Rua Dr. Nicolau Ancona Lopes 47/65, Sao Paulo, S. P. Brazil. WTD. **P-69579.**

World Trade Opportunities

Malaysia wants bids to purchase fertilizer

Firms wishing to be considered must submit forms by July 23

The Federal Land Development Authority of the Government of Malaysia, Kuala Lumpur, has issued an invitation to suppliers/manufacturers for prequalification of prospective tenderers for the supply of fertilizers to Jengka Land Development Project, State of Pahang, West Malaysia.

The proposed tender includes a total of 3,671 tons including three mixed fertilizer formulations and assorted quantities of five basic fertilizer materials. Purchases apparently will be made during last half of 1969 and throughout 1970.

Firms wishing to be considered as prospective international bidders must file completed application forms, together with registration fee of $50 Malaysian ($1 = M$3.06) no later than July 23.

Application forms, with a brief description of the project, are available from the Chairman, Federal Land Development Authority, Jalan Maktab, Kuala Lumpur, West Malaysia (Telegraphic address: TANAHMAJU, Kuala Lumpur).

Korea calls for bids on facsimile equipment

The Office of Supply, Republic of Korea, has issued Tender No. KFX-9078-S, for the supply of facsimile equipment. Bid deadline is June 23.

Bid should offer facsimile equipment for connection to carrier circuits and exchange communications and facsimile central equipment for repeating communication of facsimile transmission and reception of documents.

Copies of tender announcement and specifications are available from the Office of Supply, Government of Republic of Korea, Seoul or on a short-term loan basis to firms located in the U.S. from the Electronics Division BDSA-643, Room 4209, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4823).

Libyan government seeks bids on sewerage and road projects

The Beida Development Organization, a government agency, requests tenders on the construction of a sewerage system and treatment plant and internal roads and footways in Beida City. Bid deadline is July 1.

Additional information is available from the Construction and Building Materials Division, BDSA-645, Room 4813, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3602).

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

● indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

203 Canning, preserving foods

GERMANY—Dried vegetables, herbs and all kinds of spices in bulk; different special sauces in glasses. UBENA-Gewuerzindustrie (importer, manufacturer, wholesaler, exporter), Runkel & Frischen, 68/69 Am Deich, P.O. Box 660, 28 Bremen. WTD 1/69.

204 Grain mill products

CYPRUS—Feed concentrates for animals and fowls. Quote c.i.f. Cyprus. Agency and direct purchase. Firms interested in this opportunity should write: Archimedes Paraskevaides and Marcus D. Stratos, Post Office Box 1333, Nicosia. WTD 5/69.

209 Food preparations

GERMANY—All kinds of spices in glasses, jars, and packages; special teas in packages. UBENA-Gewuerzindustrie (importer, manufacturer, wholesaler, exporter), Runkel & Frischen, 68/69 Am Deich, P.O. Box 660, 28 Bremen. WTD 1/69.

221 Broad woven fabric mills, cotton

SOUTH AFRICA—Upholstery fabrics, cotton. Direct purchase and sole franchise for Republic of South Africa. H. Levinthal & Co. (Pty.) Ltd. (manufacturers' agent), P.O. Box 4731, Cape Town, Cape Province. WTD 5/69.

222 Broad woven fabric mills, manmade fiber, silk

SOUTH AFRICA—Upholstery fabrics, manmade fiber and silk. Direct purchase and sole franchise for Republic of South Africa. H. Levinthal & Co. (Pty.) Ltd. (manufacturers' agent), P.O. Box 4731, Cape Town, Cape Province. WTD 5/69.

223 Broad woven fabric mills, wool

SOUTH AFRICA—Upholstery fabrics, wool. Direct purchase and sole franchise for Republic of South Africa. H. Levinthal & Co. (Pty.) Ltd. (manufacturers' agent), P.O. Box 4731, Cape Town, Cape Province. WTD 5/69.

261 Pulp mills, products

KOREA—Unbleached kraft pulp. Korea Exports Packaging Center Foundation (manufacturer), I.P.O. Box 2325, Seoul. WTD in preparation.

262 Paper mills, products

● **IRAN**—Iranian Tobacco Company requires the following items: 325 tons white paper in bobbins. Widths of bobbins to be supplied are: 295 mm; 500 mm and 326 mm. Substance to be 90 grs./$m^2 \pm 2$ grs.

Bid deadline July 26.

200 tons of white and colored paper in sheets measuring 72 x 90 cms. Of the total, 150 tons to be white with substance of 80 grs./$m^2 \pm 2$ grs.; 25 tons to be of light pink color and 25 tons to be of light blue color. Colored paper to have substance of 50-60 grs./$m^2 \pm 2$ grs.

Bid deadline July 28.

Copies of tender announcements with specifications and conditions are available from the Forest Products and Packaging Division, BDSA, Room 4007, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3530).

NETHERLANDS—All types of specialty paper products for use in hotels, restaurants, hospitals, and canteens. Exclusive distributorship for The Netherlands. Stibbe C.V. (importer), B.E., 37 Voorstraat, Zwolle. WTD 5/69.

263 Paperboard mills, products

KOREA—Kraft liner, made from 100% unbleached kraft pulp, meeting following requirements: 320 g/m^2 basis weight; bursting strength, dry 11.5 kg/cm^2, wet 3.5 kg/cm^2; bursting factor 3.5 ± 5%; in three trimmed widths of 120 cm, 140 cm, and 160 cm; diameter of roll 100 cm; incore diameter 10 cm. Fifty per cent jute liner. Korea Exports Packaging Center Foundation (manufacturer) I.P.O. Box 2325, Seoul. WTD in preparation.

281 Industrial chemicals

● **ECUADOR**—Aluminum sulphate 1,000 metric tons, for water treating. Tender No. EMAP No. 2. Bid deadline June 23. Correspondence preferred in Spanish.

Specifications and forms to be used in connection with this bid are available from the Secretaria, Empresa Muncipal de Agua Potable, Calle Garcia Moreno No. 883, Quito.

SOUTH AFRICA—Chemicals for the manufacture of paints. Bellgrove & Snell (Pty.) Ltd. (manufacturer), P.O. Box 227, East London, Cape Province. WTD 4/69.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

CYPRUS—Sun lotions, oils, creams, other related items. Quote c.i.f. Cyprus. Agency and direct purchase. Lambis G. Constantinides (manufacturers agents, importers, distributors), P.O.B. 1586, Nicosia. WTD 11/68.

GERMANY—Textile finishing agents; textile processing assistants. Direct purchase and agency. Chemische Fabrik Theodor Rotta (manufacturer, exporter), 68 Mannheim, Industriestrasse 38. WTD 5/69.

291 Petroleum refining

● **KOREA**—The Government of Korea has issued tenders for the following items: Lubricating oils and greases of various types and grades. Quantity lubricating oils approximately 650,000 LTR., greases 8,400 kg. Bid P.R. No.: 69-G-49, Inv. No. KFX-9072-N. Bid deadline 14:00 hours, June 9 (Korean standard time).

Lubricating oil for Bupyong diesel power plant, quantity 1,000 drums. Bid No. KFX-9079-N. Bid deadline 14:00 hours, June 11 (Korean standard time).

Specifications available at Office of Supply, Government of the Republic of Korea, Seoul, Korea. Petroleum and Coal Division, BDSA-673, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2355).

325 Structural clay products

FIJI—Regular supply of refractory bricks for kiln lining for cement plant operating two kilns. Requests price lists and specifications. Fiji Industries, Ltd. (importer), G.P.O. Box 1165, Suva, Fiji Islands. WTD in preparation.

329 Abrasive, asbestos, nonmetalic mineral products

ENGLAND—Materials allied to the building industry for suspended ceilings and external face-lift claddings, and mineral fiber tiles also for suspended ceilings. Company is interested in agency or at a later date manufacturing under license. Caswell Ridge Ltd. (ceiling applicators), 171/173 Gipsy Road, London S.E.27. WTD 4/69.

331 Steel mill products

● **INDIA**—Boiler quality plates: 551 metric tons of various standard sizes; boiler quality plates and mild steel plates: 234.52 metric tons of various non-standard sizes. Tender #PPX/STL/1015(BQP); bid deadline June 16. Purchase Officer (I), Heavy Electricals (India) Ltd., Bhopal. Copies of tender documents available from Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

● **IRAN**—Steel tyres: 2,500 of size 825 x 960 mm. diameter; 2,000 of size 678 x 838 mm. diameter; 250 of size 782 x 940 mm. diameter. Tender #269/48; bid deadline July 12. Iranian State Railways, Tehran. Copies of tender documents available from Iron and Steel Division BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

● **KOREA**—*Tender #KFX-9076-N*: Steel Plates, 274 of six various sizes; *Tender #KFX-9077-N*: Steel Angles, 668 of various sizes and 922 sheets of various sizes; bid deadline June 10. Office of Supply, Govt. of the Republic of Korea, Seoul. Copies of tender documents available from Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

● **TRINIDAD**—*Tender #1661*: 200—50 ft. tubular steel poles; *Tender #1663*: 3000 clevis-type deadend clamps; *Tender #1664*: 50,000 lbs. of 7/8 steel stay wire; *Tender #1665*: 50,000 lbs. of steel stay wire; bid deadline June 27. Trinidad and Tobago Electricity Commission, Port-of-Spain. Copies of tender documents available from Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

333 Primary smelting, refining of nonferrous metals

● **IRAN**—Supply of 60,000 Kgs RG-5 bronze ingots. Bid deadline July 19. Reference 7314. Contact Iranian Economic Mission, 2233 Wis. Ave., NW., Washington, D.C. 20007. (Telephone: 202-338-5393).

335 Rolling, drawing, extruding of nonferrous metals

● **CYPRUS**—Supply of various sizes of hard drawn, high conductivity bare copper conductors to B.S. 125 totaling 570,000 yds. Bid deadline June 26. Tender No. 81/1969. Ref: E/787/4957/69. Contact The General Manager and Chief Engineer, Electricity Authority of Cyprus, P.O.B. 1466, Nicosia.

● **IRELAND**—Supply of cable P.C.Q.L. Specification of requirements and specifications No. CS/E.77G, CS/E.558A and CS/E.169A. Tender No. S.D.I. C/173. Bid deadline June 18, 1969. Contact The Controller of Stores, Aldborough House, Dublin 1, Ireland. Copies of tender available on a loan basis from the Department of Commerce, Copper Division, BDSA, Washington, D.C. 20230.★ (Telephone: 202-967-3883).

● Tender No. C/513 for the supply, installation and testing of 960 circuit coaxial cable line links between: (1) Athlone and Loughrea and (2) Loughrea and Galway. Bid deadline July 8. Contact The Engineer-in-Chief, Contracts Section, Department of Posts and Telegraphs, Hawkins House, Dublin 2, Ireland.

344 Fabricated structural metal products

ITALY—Bins and storage tanks for port installations. Direct purchase and agency. Italcontrol s.r.l. (agent, importer, distributor), 750 Via Flaminia, 00191-Rome. WTD 3/69.

346 Metal stampings

SWEDEN—Mail boxes. Direct purchase and agency. Alfie Produkter (agent, importer), 58 Fiskmasvagen, S-123 49 Farsta, Sweden. WTD 5/69.

352 Farm machinery

CYPRUS—Poultry brooders, feeders, and waterers. Quote c.i.f. Cyprus. Agency and direct purchase. Archimedes Paraskevaides & Marcus D. Stratos (manufacturers' agents, importers, distributors), P.O.B. 1333, Nicosia. WTD 5/69.

354 Metalworking equipment

● **SOUTH AFRICA**—A roll form corrugating line and associated equipment. Enquiry V159, bid deadline June 25. Head, Capital Buying, South African Iron and Steel Industrial Corp., Ltd., P.O. Box 450, Pretoria, Transvaal.

Inquiry documents with drawings may be obtained from the above address against a deposit of R100 ($1.40). The deposit will be refunded on receipt of a bona fide tender.

355 Special industry machinery

KOREA—Corrugated box making machines and related equipment for general export packing purposes. Korea Exports Packaging Center Foundation (manufacturer), I.P.O. Box 2325, Seoul. WTD in preparation.

URUGUAY—Complete equipment for small dehydration plant for potatoes, including facilities for unloading, washing-brushing, sodium hydroxide peel, etc. Enrique and David Gasparri, Gasparri Hnos. S. A. (merchants), Av. Agraciada 2720, Montevideo. WTD 6/68.

357 Office, computing, accounting machines

URUGUAY—Automatic weighing and packaging equipment for whole raw potatoes. Enrique and David Gasparri, Gasparri Hnos. S. A. (merchants), Av. Agraciada 2720, Montevideo. WTD 6/68.

358 Service industry machinery

ITALY—Refrigeration machinery and equipment for port installations. Direct purchase and agency. Italcontrol s.r.l. (agent, importer, distributor), 750 Via Flaminia, 00191-Rome. WTD 3/69.

SPAIN—Industrial-type water desalination machinery and equipment, for use in large tourist resorts with shortage of drinking water. Construcciones Franco-Belge (builders), Residencia El Versailles, Rincon de Loix, Benidorm, Alicante. WTD 5/69.

363 Household appliances

ENGLAND—Stainless steel knife blades to be used on company's cordless slicing knife, Kenwood Manufacturing (Woking) Ltd. (manufacturer), New Lane, Havant, Hampshire. WTD 4/69.

SOUTH AFRICA—Electrical household appliances, housewares, for 220 volt 50 cycle A.C. Bellgrove & Snell (Pty.) Ltd. (importing distributor), P.O. Box 227, East London, Cape Province. WTD 4/69.

369 Electrical machinery, equipment supplies

KOREA—X-ray equipment, including X-ray tubes, and electro-therapeutic apparatus. Direct purchase and agency. Sung Shin Nucleonics Sales Co., Ltd. (commission agent, distributor), 118-2, 1-ka, Ulchi-ro, Chung-ku, Seoul. WTD in preparation.

374 Railroad equipment

● **NEW ZEALAND**—Eight railway car bogies, to Chief Mechanical Engineer's Specification No. 522. Tender No. 69/682, bid deadline June 18, 4 p.m. Comptroller of Stores, New Zealand Railways, Private Bag, Wellington, New Zealand.

Copies of tender documents are obtainable through the New Zealand Trade Commissioner, Suite 306, Association's Bldg., 1145 19th St., NW., Washington, D.C. 20036.

381 Engineering, laboratory, scientific, research instruments

ENGLAND—Scientific instruments for medical chemistry and bio-chemistry. Company is interested in agency or at a later date manufacturing under license. Quickfit and Quartz Ltd. (manufacturer, exporter), "Quickfit" Works, Stone, Staffordshire. WTD 4/69.

● **NEW ZEALAND**—Equipment for a physiological laboratory including: one infra-red CO_2 analyzer, two paramagnetic oxygen analyzers, two digital readouts for the above, one multi-channel recorder, and one storage oscilloscope. Tender No. S 2890, bid deadline June 12. Requested by the Supply Officer, Auckland Hospital Board, P.O. Box 5546, Auckland 1, New Zealand.

Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

382 Instruments for measuring, controlling, indicating physical characteristics

● **KOREA**—Supply of train and rail meters and gauges, including: train speed meter, rail axial stress gauge, track error gauge, rail creep (expansion and contraction) gauge, rail displacement gauge, rail road-bed settlement gauge, ballast settlement gauge, acceleration gauge of car vibration. Tender No. KFX-9077-N-Part 4 (only), bid deadline June 24. Requested by Office of Supply, Government of the Republic of Korea, Seoul, Korea.

Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

384 Surgical, medical, dental instruments

DENMARK—Physical therapy equipment. Medicinalco (Svendsen & Hagen A/S) (importing distributor), 31 Amaliegade, 1256 Copenhagen K. WTD 4/68.

NETHERLANDS—Mechanical, hydraulic or pneumatic, non-electrical rescue equipment for first aid stations, shipbuilding, merchant marine, sub-surface rescue equipment for use in ports. Interested in exclusive distributorship for The Netherlands. Tools N.V. (importing distributor), Machine- en Gereedschappenhandel, 21 Schakelstraat, P.O. Box 8040, Amsterdam. WTD 5/68.

386 Photographic equipment

DENMARK—Electronic equipment and machinery for the graphic industry; densitometers; color separation scanners (screen, halftone); control units, and other related items. Grafisk Bureau v/Vagn Christensen (agent), 5 Bastkaer, Smorumnedre, 270 Maalov. WTD 12/68.

● **KOREA**—Supply of X-ray photofluorographic film, green sensitive, 60 mm. x 60 mm. x 12 exp., 68,000 rolls; X-ray photofluorographic film, green sensitive. 70 mm. x 3 meters, 8,000 rolls; X-ray radiographic film, 11" x 14" x 25 sheets, 2,160 packages; X-ray radiographic film, 14" x 14" x 25 sheets, 2,656 packages; developer, X-ray film processing powder, 5 gal., 1,212 cans; fixer, X-ray film processing powder, 5 gal., 1,212 cans. Tender No. KFX-9074-N, bid deadline June 18. Requested by the Office of Supply, Government of the Republic of Korea, Seoul, Korea.

Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

395 Pens, pencils, office, artists' materials

AUSTRALIA—Artist paints for distribution in Australia. D. C. Barrie (manufacturers' representative), 15 Chiswick St., Wembley Downs, Western Australia 6019. WTD in preparation.

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 843-2386.
ANCHORAGE, ALASKA, 99501, 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6531.
ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.
BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.
BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.
BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.
BUFFALO, N.Y., 14203, 504 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.
CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.
CHARLESTON, W. VA., 25301, 3000 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6181 Ext. 375 and 376.
CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Area Code 307 Tel. 634-5920.
CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.
CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.
CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.
DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.
DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.
DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.
DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.
GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.
HARTFORD, CONN., 06103, Room 610-B, Federal Office Bldg., 450 Main St. Area Code 203 Tel. 244-3530.
HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Area Code 808 Tel. 546-5977.
HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 226-4231.
JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.
KANSAS CITY, MO., 64106, Room 2011, 11 Walnut St. Area Code 816 Tel. 374-3141.
LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.
MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.
MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.
MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.
MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 725-2133.
NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.
NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza, Foley Sq. Area Code 212 Tel. 264-0634.
PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.
PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.
PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.
PORTLAND, ORE., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.
RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.
RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.
ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.
SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.
SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.
SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.
SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.
SEATTLE, WASH., 98104, 8021 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

739 Business services

AUSTRALIA—Carbon: paper and polyester, pencil carbon, Caron (all units) typewriter ribbons; computer ribbons ¼", 7½" in silk, cotton, nylon, paper polyester; ink stencils (paper and thermofax); duplicating inks; eraser fluids; paper, commercial: duplicating, photocopying, manifold. Requires details, price lists, samples if available. Edwards Business Machines, Pty. Ltd. (importer), 107 Wellington St., Perth, Western Australia 6000, GPO Box X2226. WTD in preparation.

781 Motion picture production, distribution

NETHERLANDS—Motion pictures for renting to exhibitors, television stations and associations. Exclusive distribution rights requested. Gofilex N.V. (film distributor), 39 Hoofdstraat, P.O. Box 173, Driebergen. Attn.: G. J. H. Dujardin. WTD 5/69.

Brazil issues tender for water treatment station

Suppliers of water treatment equipment interested in bidding for the Guarau water treatment station are invited to submit prequalification applications to: Cia. Metropolitana de Agua de Sao Paulo (COMASP), Av. Paulista 1938, 8th Floor, Sao Paulo, Brazil.

The Gaurau water treatment station will be the second largest in the world (after Chicago), with a capacity of 2,850 million liters per day. Financing will be mainly by the Inter-American Development Bank.

The deadline date for receipt of prequalification applications is July 8.

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- Your delivery schedule.
- Your catalog or other appropriate literature.

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

213 Tobacco, snuff

PANAMA—Chewing tobacco. Wants to obtain exclusive representation in Panama of an American producer. Tagaropulas, S.A. (importer, wholesaler, retailer, re-exporter), P.O. Box 4583, Panama 5, R.P. WTD 4/69.

222 Broad woven fabric mills, manmade fiber, silk

AUSTRIA—Home decoration textiles of synthetic, other materials. Alfred Smisch-Handelsagentur (manufacturers' representative), Kreuzgasse 28/1, A-1180 Vienna. WTD 3/69.

229 Textile goods

KOREA—Suppliers' agent for wool grease, recovered (anhydrous basis), Seri Trading Co., I.P.O. Box 2555, Seoul. WTD in preparation.

282 Synthetic materials

KOREA—Acrylic type fibers, polyester fibers, staple, tow and yarn. Seri Trading Co. (sales agent), I.P.O. Box 2555, Seoul. WTD in preparation.

289 Chemical products

ENGLAND—Turpene chemicals from turpentine and essential oils and perfumery chemicals. The White Sea and Baltic Co. P. and I. Danischewsky Ltd. (manufacturers, distributors, exporters, importers), 8/9 Hayne St., London E.C.1. WTD 4/69.

311 Leather, tanning, finishing

NETHERLANDS—Leather for footwear and leather garment industries, all kinds. Representation and/or joint-venture arrangements. N.V. Handelmaatschappij "A.B.C." (agent distributor, importer, manufacturer, exporter), 65 Rijensestraatweg, or P.O. Box 50, Dongen. WTD 2/69.

335 Rolling, drawing, extruding of nonferrous metals

ENGLAND—Materials allied to the building industry: lightweight aluminum rolled or extruded for internal and external use; for suspended ceilings. Company is interested in agency or at a later date manufacturing under license. Caswell Ridge Ltd. (ceiling applicators), 171/173 Gipsy Road, London S.E.27. WTD 4/69.

353 Construction, mining machinery, equipment

SPAIN—Public works and mining machinery; parts and accessories therefor. Perforacion, Mineria y Obras Publicas, S.A., Princesa 1, Madrid 8. WTD in preparation.

356 General industrial machinery

SPAIN—Ball and roller bearings. Rodacars (agency), Paseo Santa Maria de la Cabeza 102, Madrid (19). WTD 5/69.

371 Motor vehicles, equipment

NETHERLANDS—Automobile components and accessories. Exclusive agency for Benelux area. Nelldick-Holland (importer, exporter, distributor), 22 Lyceumlaan, Vlaardingen. WTD 5/69.

SPAIN—Bearings for vehicular equipment. Rodacars (agency), Paseo Santa Maria de la Cabeza 102, Madrid (19). WTD 5/69.

382 Instruments for measuring, controlling, indicating physical characteristics

ENGLAND—Non-competitive gas analyzers and gas chromatograph equipment and accessories. Servomex Controls Ltd. (manufacturers), Crowborough, Sussex. WTD 4/69.

Visiting Buyers and Officials

ARGENTINA—Fausto Caretta, vice president, and Raul Guibert, assistant to the president, Televel, S.A., Carlos Calvo 3233, Buenos Aires, **interested in developing new line of products by manufacturing under license or joint venture machinery parts, parts where decimal point is required, other products for small U.S. industries; presently manufacturing internal combustion engines, boring machines, outboard motors, lawnmowers, motor pulverizing machines, generators.** May 26 via New York for approximately three weeks. c/o Apt. 7A, 301 E. 78th St., New York, N.Y. 10021, telephone: 212-988-2786. Itinerary: New York, Boston, Chicago, Denver, San Francisco, Kansas City, Miami. WTD in preparation.

ENGLAND—Roy L. Platford, group treasurer, and managing directors of 22 British toolmaking and precision engineering companies, North East London Toolmakers Group, 350 Great Gregorie, Basildon, Essex, **interested in licensing arrangements with U.S. firms for manufacture in U.K. of plastic molds, die cast molds, jigs, fixtures, press tools, special purpose machines up to one ton in weight, gages, cutting tools, carbide tooling, precision components, assemblies** (batches up to 500 in number). June 7 via Philadelphia for approximately two weeks. Itinerary: 6/7-8 Philadelphia c/o Sylvania Hotel, 6/9-11 Chicago c/o Midland Hotel, 6/12-14 Detroit c/o Cadillac Hotel, 6/15-19 New York c/o Royal Manhattan Hotel, 6/20-21 Philadelphia c/o Sylvania Hotel.

JORDAN—Abul Wafa Dajani, chairman and general manager, Wafa Dajani & Sons Co., P.O. Box 33, King Feisal St., Amman, **interested in U.S. communications equipment and requesting technical information.** June 5 via San Francisco for one month. c/o Maha Dajani, S.F. College for Women, Lone Mountain, San Francisco, Calif. Itinerary: San Francisco for three weeks, Dayton, O., Washington, D.C., New York. WTD 5/67.

New Books and Reports

***Pocket Data Book, U.S.A. 1969.* Published by the Bureau of the Census. Washington, D.C. 1969. 360pp. $2.75.**

The second edition of this biennial series contains tables of current statistics on such topics as population, education, health, government, prices, labor, income, welfare, defense, recreation, agriculture, industry, science and others.

A section on foreign commerce details the balance of payments since 1950, direct investments abroad, direct foreign investments in the United States, imports and exports, U.S. monetary reserves and liabilities, and economic and military foreign aid commitments.

Despite its quantity of information, the book is compact and convenient, approximately the same size as the average paperback book.

Write: Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

***European Agricultural Chemical Survey 1969.* Published by Noyes Development Corp. Park Ridge, N.J. 1969. 129pp. $35.**

The agricultural chemical industry in 19 countries of Western Europe is reported in this volume. Pesticides covered include insecticides, herbicides, fungicides, and many others.

Three types of information are presented for each country: a general discussion of the industry; statistics on production, consumption, imports, and exports; and some 1,000 names and addresses of leading pesticide producers.

Write: Noyes Development Corp., Noyes Building, Park Ridge, N.J. 07656.

***The Competition Law of the European Economic Community.* By Arved Deringer. Published by Commerce Clearing House, Inc. Chicago. 1968. 440pp. $15.**

This commentary has been prepared by the author, a practicing German lawyer, in cooperation with specialists in Belgium, France, Germany, Italy and the Netherlands. It was originally published in German. In view of wide interest in the topic it has been translated into English.

It interprets and explains the provisions of the European Economic Community Rules of Competition (Articles 85 to 90) including the implementing regulations and directives to prevent dominant market positions and restrictive practices, and evaluates the more recent discussions of the Commission, the European Court of Justice, and the national courts.

Write: Commerce Clearing House, Inc., 4025 W. Peterson Ave., Chicago, Ill. 60646.

Dominican Republic trade itemized in AID booklet

Exports to the Dominican Republic that are eligible for AID financing are listed by Schedule B number in a recent Procurement Information Bulletin issued by the Department of State.

The Bulletin also describes the special trade incentives that the Government of the Dominican Republic has agreed to make available to Dominican importers using AID-provided foreign exchange. Included is a partial list of importers of eligible products.

Copies of *Trade Opportunities under AID Financing in the Dominican Republic*, PIB #69-7, are available from the Office of Small Business, Agency for International Development, Department of State, Washington, D.C. 20523.

***Argentine Chemical Industry.* By C. G. LaCourte and Marcus Sittenfield. Published by Chem-Pro Marketing Services, Staten Island, N.Y. 1968. 65pp. $25.**

A useful guide for those with interest in the chemical industry in Argentina has recently been published .

It contains information on principal inorganic and organic chemical products; agricultural chemicals; plastics and synthetic resins; artificial fibers; synthetic rubber and related products, including carbon black; materials for paints, dyes, and tanning; surfactants and bleaches; and industrial gases.

Write: Chem-Pro Marketing Service, 72 Roman Ave., Staten Island, N.Y. 10314.

***Exhibiting Abroad.* Published by Air France. New York. 1969. 34pp. Free.**

Among the features in this guide is a list of ten most common mistakes made by U.S. exhibitors overseas. The booklet is intended for the experienced exhibitor who wishes to improve his techniques, or for the company that has exhibited domestically but not overseas.

The successful foreign exhibit, according to the booklet, makes use of all the basic principles used by the exhibitor at home, with the added consideration of cultural differences. A checklist for overseas exhibits beginning one year in advance, is included. Suggestions are also included for personnel for the booth, use of languages, and design, building and shipping of the exhibit.

Write: Vaughan J. Horasan, Cargo Sales Development Manager, Air France, 1350 Avenue of the Americas, New York. N.Y. 10019.

***Introductory Guide to Exporting.* Published by the Department of Commerce. Washington, D.C. 1969. 45 pp. 50 cents.**

This summary of Commerce Department assistance to the U.S. exporter, first published a year ago, is now available in a revised edition.

Among the aids discussed are: Field Offices, trade missions, trade fairs, commercial exhibitions, trade centers, sample display centers, mobile trade fairs, America Weeks, Regional Export Expansion Councils, publications offering trade statistics and economic data, and information on finding overseas associates, financing, insurance, shipping and advertising.

Write: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

***Chase Manhattan Multinational Directory.* Published by the Chase Manhattan Bank, N.A. New York. 1969. 38pp. Free.**

Listed are overseas branches, representatives, affiliates, and associated banks, by geographic area, as well as the New York headquarters staff for each of the regions.

Write: The Chase Manhattan Bank, N.A., 1 Chase Manhattan Plaza, New York, N.Y. 10015.

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Calendar *for international traders*

CHICAGO—June 11—East European Market, Chicago Assn. of Commerce & Industry, 30 West Monroe Street.

CHICAGO—June 12—Export-Import Bank of the U.S. program, La Salle Hotel. Luncheon, 12 noon; seminar, 2 p.m. Speaker: R. Alex McCullough, director, Eximbank. Sponsor: International Trade Club of Chicago.

CHICAGO—June 18—Chicago Midwest Credit Management Assn., Bismarck Hotel.

CHICAGO—June 19—In-Office Meeting, Commerce Field Office.

CLEVELAND—June 11—Export Seminar on the Far East, Commerce Field Office, 10 a.m. Sponsors: Commerce Field Office, REEC, Small Business Administration.

CLEVELAND—June 18—Basic Export Workshop, Commerce Field Office, 10 a.m. Sponsors: Commerce Field Office, REEC.

CLEVELAND—June 25—Export Documentation Workshop, Conference Room, Greater Cleveland Growth Assn., 10 a.m. Sponsors: Commerce Field Office, REEC, Cleveland World Trade Assn.

DALLAS—June 10—Latin American Trade Conference, Braniff Training Room, Love Field, 9 a.m. Sponsors: Commerce Field Office, N. Texas-Okla. REEC, Braniff Int'l, Small Business Administration.

DETROIT—June 10—Export Seminar, 445 Federal Bldg., 9:30 a.m. Sponsor: Commerce Field Office.

DETROIT—June 19—World Trade Club meeting, Pick-Ft. Shelby Hotel, 6 p.m.

DETROIT—June 25—Export Seminar, 445 Federal Bldg., 9:30 a.m. Sponsor: Commerce Field Office.

DOYLESTOWN, Pa.—June 16—Int'l Trade Development Assn. of Bucks County monthly dinner meeting, Conti's Cross Keys Inn, 5:30 p.m. Report on trade mission to S. America.

FT. WORTH—June 11—Report on Ft. Worth Trade Mission to Central Europe, Petroleum Club, 12 noon. Sponsors: Commerce Field Office, N. Texas-Okla. REEC, Chamber of Commerce.

GREENSBORO, N.C.—June 13—Businessmen's Consultation, **John B. McGrath, Economic Officer, London.** Sponsor: Commerce Field Office.

Calendar deadline

Information for publication must be received three weeks before the date of the announced event. Include time, place, sponsoring organization and special topic, if applicable. Meetings must be open to the public in order to be publicized in this space. **Write:**

Managing Editor,

International Commerce

BIC-204

U.S. Department of Commerce

Washington, D.C. 20230.

HONOLULU—June 18—Export-Import Workshop, Rm. 286, Alexander Young Bldg., 10 a.m. Sponsors: Commerce & Small Business Administration Field Offices.

KANSAS CITY—June 26—Export Development Workshop, Federal Office Bldg., 2 p.m. Sponsors: Commerce Field Office, REEC.

LOS ANGELES—June 24—Businessmen's Consultation, **Richard Garnitz, director, U.S. Tokyo Trade Center.** Sponsor: Commerce Field Office.

LOUISVILLE—June 10—Kentuckiana World Commerce Council, Annual ladies' night & election, Executive Inn; dinner, 6:30 p.m., election, 7:15 p.m.

NEW YORK—June 10—Seventh of 8 lectures on International Business Marketing-Management, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration, L.I.U.

NEW YORK—June 12—Last of 8 Documentation lectures, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration, L.I.U.

NEW YORK—June 17—FCIB Hardware-Automotive & Allied Trades Group Meeting, Advertising Club, 12:30 p.m.

NEW YORK—June 19—FCIB Drug, Chemical & Food Export Club Meeting, Advertising Club, 12:15 p.m.

NEWARK, N.J.—June 19—Profits in Exports, Small Business Administration, 970 Broad St. Sponsors: Commerce N.Y. Field Office, REEC, SBA.

PHOENIX—June 27—Businessmen's Consultation, **Richard Garnitz, director, U.S. Tokyo Trade Center.** Sponsor: Commerce Field Office.

RIO PIEDRAS, P.R.—June 11—Fifth of 12 weekly lectures in Spanish on Introduction to International Trade, Rm. 238, Social Sciences Bldg., University of Puerto Rico, 8 p.m. Sponsors: U.S., Puerto Rico Departments of Commerce; REEC; Pan American World Airways.

SAN FRANCISCO—June 25-26—Businessmen's Consultation, **Richard Garnitz, director, U.S. Tokyo Trade Center.** Sponsor: Commerce Field Office.

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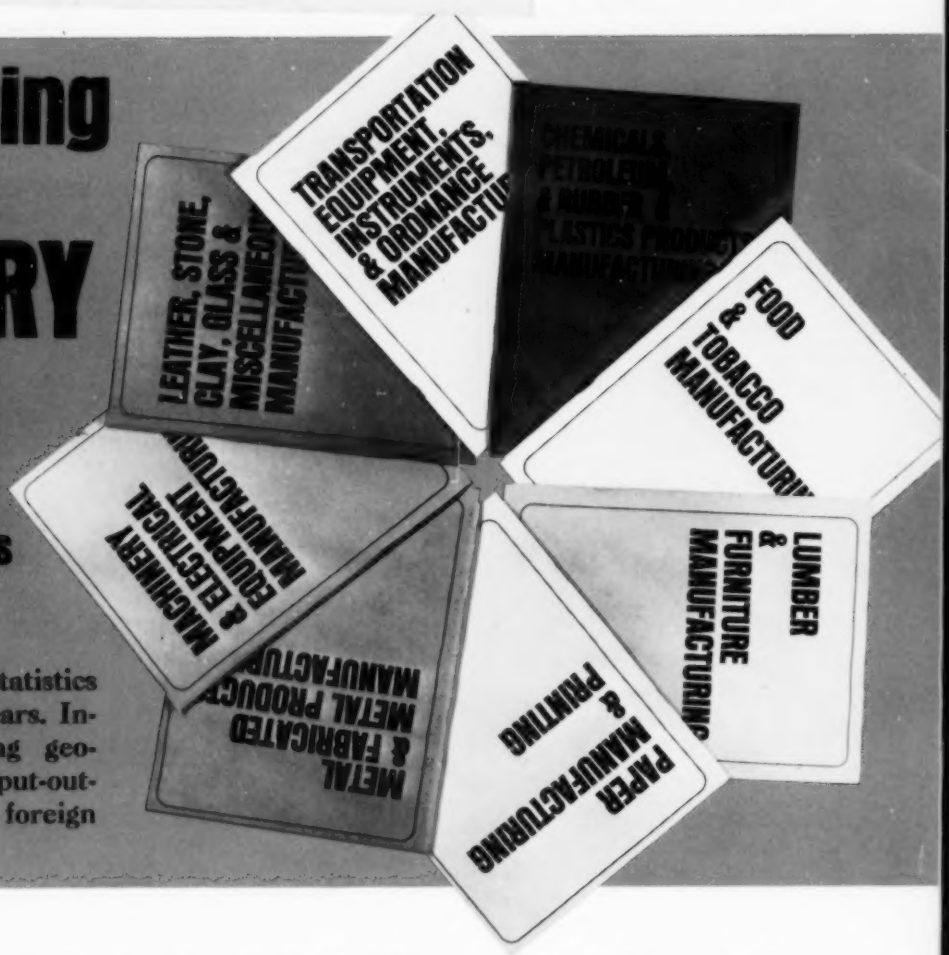
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